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Chief Architect

John Roxborough Smith, stocky Scottish-born Montreal architect has been chosen to head the 43-year-old Royal Architectural Institute of Canada, representing 1,100 architects. A member of the firm of McDougall, Smith & Fleming, specialists in hospital construction, Smith taught drawing and design for 29 years in Montreal Technical Institute. An architect for 40 years, he studied in Scotland and Paris and spent most of a year looking at architectural wonders in Switzerland, Italy, Belgium, Netherlands, Germany and England before returning to Canada (Personality sketch, P.6)

THE NATION'S BUSINESS

British Paralysis At Critical Time

The man whom Churchill dubbed a sheep in sheep's clothing still holds a teetering, tenuous hold on power over the Britons. His chief helpers Bevin, Cripps and Morrison are weary and unwell. His firewater twins Bevan and Shinwell are rumored to be plotting a coup to tear the party apart.

Such is the wretched state of the tribe that undertook to lead the people to a nonexistent Utopia.

In the attempt tragic things have happened.

Adelphi writes on page 13:

"The vote . . . reveals the fact that politically Britain is becoming two nations. There is complete cleavage between organized labor on the one side and the middle classes, agriculture and commerce on the other. Geographically, it takes the shape of the north against the south. It will take tolerance, wisdom and statesmanship if this division is not to become an unbridgeable gap."

Indeed it will. And what a terrible epitaph for any man to have on his tombstone—political or corporeal—that he rent his country in twain; set man against man.

Equally tragic is the effect on opinion in the United States. The fact is that the Americans are terribly tired of financing British and European recovery.

ECA appropriations for another year are coming in for an extremely rough ride in Congress. Yet to millions upon millions of U. S. citizens it appears that their dollars are subsidizing Socialism, a political gospel dedicated to destroying the system which makes it possible for America to pay those dollars.

Antagonizes Best Friend

Without the food and the raw materials which are provided and financed by American and Canadian aid, Britain's troubles would certainly have been infinitely greater than today, her standard of living very much lower and large numbers would be unemployed.

At a time when common sense and a common danger cry aloud for closer and closer co-operation and warmth between the English-speaking nations, we now see the chasm widening, the affection cooling, the patience shortening.

That the Cripps economic policy is totally bankrupt is plain for all to see. There have been gains in production, no unemployment and no serious hardship under the "fair shares" gospel. But the inescapable fact is that Britain has made no real progress toward standing on her own feet economically. Without continued overseas help, Britain can no more maintain even its present level of economic activity than a dead trout can stand on its tail, and without very drastic changes in policy, there is no hope that she will be able to do so when ECA help is scheduled to end in 1952.

That is the harsh reality. The Socialist illusion that, as The Economist says, Britain "is an enchanted isle removed from the world's troubles and that full employment and a high standard of living are to be had for the asking" cannot much longer survive.

Britain's recovery and her economic health is important to Canadian prosperity. The present outlook is profoundly disturbing.

* * *

Toronto Sets Poor Example

Greater Toronto is setting a mighty poor example to the other overgrown urban areas of Canada where unification of municipal services is also inevitable.

Instead of getting together and working out some fair and equitable basis for amalgamation the policy seems to be to wait and squabble until hard necessity or the provincial government steps in and forces a shotgun marriage.

In the meantime local prejudices are being inflamed and a lot of utterly meaningless statistics are being bandied about. The suburbs are being led to believe that amalgamation will mean an enormous jump in taxation. Toronto citizens have heard similar stories about carrying the load of the suburbs. With the basis of property assessment varying with each municipality involved no one knows the real answer.

When two companies decide to amalgamate the first thing they do is to work out an equitable basis for an exchange of shares. The first thing municipalities facing amalgamation should do is to set up a similar basis of assessment. Until that is done any attempt to compare taxation is on a par with trying to measure apples against potatoes.

That fundamental job should have been started just as soon as amalgamation or unification of public services was first hinted. In some of the municipalities concerned, basis of assessment is less than 25% of present values, in others it is over 50%. With such variations it is impossible to make a comparison.

And too much of the talk in the Toronto case has been completely one-sided.

Little has been said to the taxpayers about the enormous savings possible by replacing a dozen sets of municipal services (schools, fire, police, sanitation, transportation) with one overall system or for the increase in efficiency. There has been no stress at all on the tremendous advantage of living in a single well-planned area, with various types of property properly segregated.

Instead of wasting their time fighting something that is inevitable anyway, municipal officials would be serving their communities much better by smoothing the way for the change.

Eastern Millions Start Flowing West for Oil

Bay and St. James Streets Investors Answer West Charge Eastern Investors are Letting U. S. Pick Up Choice Alberta Properties

By GORDON M. GRANT

Millions of dollars are rapidly being marshalled these days in Eastern Canada's answer to Western Canada's charge that Bay and St. James Streets are letting U. S. companies pick off choice opportunities in Alberta oil.

And the marshalling is rather a striking new development as it is IDA-TSE-MSE members who are undertaking to raise new finances — in co-operation with western interests — rather than the boys with the flamboyant-type literature who have come in for well-merited criticism recently.

Present indications are that the Canadian public — on the conclusion of present or proposed financing — will hold a very substantial interest in the lush Redwater-Simmons acreage for which $9,122,175 was paid within the last month.

A survey made this week shows several groups of Eastern and Western Canada investment houses have taken steps to provide public money for Redwater financing. For the general public as a whole, it represents practically the first opportunity to take an interest in Redwater-Simmons oil without investing in large companies such as Imperial Oil, Royalite, Pacific Petroleums, etc.

Biggest of the February auction purchases was the one by which Royalite Oil Co. and a group of three investment houses acquired three quarter sections (12 well sites) between Redwater and Simmons for $4,042,431 on a 50-50 basis. The framework is now being set up for public participation in the half interest taken by the three investment houses—Tanner & Co. of Calgary, Cochran Murray & Co., Toronto, and Greenshields & Co. Inc., Montreal.

A company called Triad Leases Ltd. has been formed by the group of three investment houses to take over their half interest in the three quarter sections. It is capitalized at $2,021,470.50 of 4.5% 10-year bonds, redeemable at par, and 232,469 no par common shares. It is expected that when financing arrangements are completed, the public will receive $1,000 of bonds for $900 and 100 shares of stock at $1 a share in units of $1,000 of bonds plus 100 shares.

Under terms of the development agreement Royalite puts up the entire cost of drilling the 12 wells (estimated at $55,000 a well) gets development costs back from 40% of net production until its development costs are liquidated. Remaining net production is shared on a 50-50 basis between Triad and Royalite until that time. After development costs are entirely liquidated, Triad and Royalite split the entire net production (after 12½% royalty to the Crown) on a 50-50 basis.

Costs of incorporation are paid by the underwriters through purchase of common shares at $1 to the extent of 15% of the stock sold with the debentures. A de-

(Continued on page 5)

Estimates Up $36 Millions After Many Demands Cut

By KENNETH R. WILSON

OTTAWA (Staff)—The Federal Government's first serious post-war economy drive came to a head last week with tabling of the 1950-51 estimates.

Against comparable estimates of a year ago they represent a net increase of $36 millions: Initial main estimates (without subsequent supplementary items later in the year) total $2,309 millions against $2,273 millions at this time last year.

But the real story on the 1950-51 figures lies in what's happened within this over-all picture.

(1) The Government was faced with statutory increases of more than $50 millions for social security — old-age pensions, family allowances and unemployment insurance.

(2) It faced demands from National Defense and Public Works alone which could have added at least $200 millions in 1950-51 spending.

(3) Almost every other department submitted proposals or demands for services and costs which, in aggregate, would have added a further $50 millions.

Added up, this meant that the Treasury Board, headed by Finance Minister Douglas Abbott and technically guided by youthful Robert B. Bryce, was faced a few months ago with over-all spending demands about $300 millions greater than a year ago.

The Treasury benefited by $50-$60 millions of "found money" in lower interest charges, declining veterans' allowances and a corporation tax refund from seven provinces. But even this would have landed Canadian taxpayers with a budget 10% higher than the fiscal year just ending. And with prices and employment now either stabilized or declining, the only way to have met these demands would have been to run a deficit or raise taxes.

Neither alternative was palatable, so the economy axe got to work.

Big Fight on Defense

The really big fight has been on the defense estimates. All services came up with big and potent arguments for higher spending in 1950-51. They supported these arguments with cash demands needed to pay for equipment already ordered and committed in previous years and which will be delivered in 1950-51.

As well, there was submitted the growing demands of the cold war in terms of Canada's new North Atlantic Pact commitments.

What actually happened was a slashing of proposed defense plans, with the air force coming out best. In cash the air force will get $25 millions more than was allocated in the main estimates a year ago. Navy spending is up $15 millions on the same comparison. Army is down $4 millions.

Because of the present complicated form in which defense estimates are submitted it's not possible to tell just what each service will spend in 1950-51. The reason is that the detailed breakdown for each service shows only

(Continued on page 3, col. 4)

PRICES

Beef prices have risen, may rise further. Responsible are heavy exports of cattle to the U. S., storm conditions that have tied up farm roads, lanes. In Toronto some retailers reported increases of 25c. lb. on some choice cuts. In Vancouver an all-time high for February was claimed for sale prices. Some saw a meat shortage there with swelling export trade.

Cattle exports to U. S. in week ended Feb. 23 were 7,470 head, including 3,409 for immediate slaughter, 4,061 for feeding. Total same week last year was 1,758 exported. Calgary shipped 48,498 head to the United States in 1949 up to Feb. 15, more than four times corresponding 1949 figure. Export drain is on west particularly.

One Toronto packer expected short supplies to last about four weeks, depending on weather in the country. "We hope it doesn't rise further," he said, citing likely consumer resistance, which made operations difficult.

Steel prices are more likely to rise if the U. S. Government seizes the coal mines. This would make it more difficult for owners to reach reasonable terms with the miners, some say. The longer the strike lasts, the longer distorted steel supply, demand will continue.

Wholesale prices in January stood at 157.1 according to DBS, against 156.1 in December, 159.3 in January, 1949.

Tea prices will rise, many predict. Price will follow U. K. contract being negotiated in Ceylon, and contract may be for higher price. Production is behind likely future demand. Devaluation averted a 10c hike for Canadian market last year, but won't be a factor now.

Roasted coffee prices predicted higher. Green coffee prices have been firming, following a Brazilian Government cut in total exportable surplus of Brazil coffee for the year ending June 30, Canadian Grocer (Maclean-Hunter) reports.

British West Indies grapefruit juice price dropped about 25c case of 24 20-oz. size to $1.80 doz., for carload lots in Toronto. Less than carload lots are quoted 5c case higher. Volume imported is rising.

U. K. Gaining Bigger Slice Of Auto Market

There were more signs this week that United Kingdom automobile manufacturers were in the Canadian market for good:

—Standard became the third major U. K. firm to establish a Canadian company. The other two: Austin and Rootes. The new company will be known as Standard Motor (Canada) Ltd. with head office in Toronto; director and gen. mgr. A. C. L. Mills.

—A team of British experts finished tests in sub-zero temperatures around Winnipeg on a new type heater for U. K. cars destined for this market. Total investment in this single accessory: around $60,000.

—News that shipments of U. K. cars in January totaled a whopping 5,749 against the previous high monthly average of 3,236 in the fourth quarter last year.

Those who had airily dismissed the U. K. car drive as a temporary cashing-in on a lush market, were being forced to take another look

Last year, for example, 31,974 U. K. cars were shipped here. That represented a big 11.5% slice of the whole Canadian market.

Striking as this itself is, it doesn't begin to tell the whole story. Comparisons with prewar and with Canadian manufacturers do:

In 1938 only 411 U. K. cars were exported to Canada; last year: nearly 32,000; this year, substantially more, based on current rate of shipments.

And compared with Canadian manufacturers:

Ford took the biggest slice last year with 318.% (88,044 units) giving it the sales lead for the first time in years;

G.M., the long-time leader, 28.1% (77,876 units).

Chrysler, 20.7% (57,508 units).

All other makes, 7.9%.

In other words, the U. K. drive, combined with admitted shortage of Canadian cars, skyrocketed sales from nowhere in 1938 into fourth place in 1949. They sold 10,000 more than all other makes outside the Big Three, combined

(Continued on page 3, col. 6)

Dealers May Use Trailers Taking New Cars to West

Already all worked up over one freight increase and loss of business due to bootlegging of cars from Ontario (The Financial Post, Feb. 25), Western Canada car dealers were just about ready to do something about both headaches this week.

The counter measure: transport cars from Ontario factories by truck instead of rail.

Last year, the three Western provinces (Sask., Alta., B. C.) bought 72,487 cars and trucks. At a minimum of $150 freight per unit, this gives the railways $10.5 millions of revenue for automobiles alone.

For the individual Western car buyer, it means anywhere from $150-$200 more than what the same car costs retail in Ontario and Quebec.

The first freight increase worked out to between $10-$15 a unit. It was absorbed by the dealer to try and keep the delivered price down. They don't see how they can absorb another increase.

The proposal to get around this differential by truck is a long way past the talking stage. Saskatchewan is taking the lead. The Trucker's association has been approached and at its annual convention held recently in Saskatoon, a detailed plan was submitted, complete with four possible routes and operating costs estimated down to one-tenth of a cent.

The trucking scheme was "feasible" said A. J. Cameron, director of the Saskatchewan Automobile Dealers' Association. He said 20,000 autos were shipped to Sask. last year. About the same number is expected this year. Freight charges amount to about $3 millions.

"(We) are prepared to give you as much of this $3 million job as you can handle," Cameron told the truckers.

He pointed out the chief concern of the auto dealers is to find a way of reducing the price differential between a car in the factory area and Saskatchewan.

This spread, he said, had given birth first to the "grey market" and now to bootlegging. Thousands of new cars have been driven or towed at 50-60 mph by anyone wanting to get out West. Speedometers are set back to near zero and the cars sold as new.

"The legitimate auto dealer lost thousands of dollars in sales and recognized transporters have lost the transportation charges," he declared. "If sufficient competition is given the railroads, it may stop a further rate increase in autos. Perhaps in time there may be enough truckers hauling autos to force a freight cut in the hopes of regaining the business."

The assumption is that delivery charges would be $150. A five-car tractor-trailer would yield $750 per trip. It is estimated water freight would be $40 per car plus $10 handling charges. This would leave the trucker $500 for hauling the 1,710 miles from Fort William to Regina. It figures out to 29c a mile against total operating cost, depreciation, etc., of 19.6c a mile.

Lighter, Brighter Men's Suits

That's the Trend, With Perhaps All-Nylon By '51

Men, big changes are ahead on the male fashion front.

Come summer, 1951, if all goes well, you'll be able to have all-nylon wardrobe — everything from top to toe: hat, suit, tie, shirt, undervest, shorts, socks, shoes.

The men's wear manufacturers are working on it now; next week, (March 7-8) 2,000 men's wear retailers from coast to coast will give a prototype of this ensemble their critical once-over at Canada's fourth annual men's wear apparel fair staged by the Retail Men's Wear Association at Toronto's Palace Pier.

The all-nylon outfit will be the piece-de-resistance of a show featuring 40 to 45 items being exhibited by Canada's top men's wear manufacturers in what is claimed to be the "biggest show of its kind on the continent."

Other noteworthy items:

—Suitings, lighter in color, lighter in weight now being made in Canadian and some English mills "to meet an overwhelming demand";

—Satin facings and shawl-type collars (as on smoking jackets, without lapel notch) for dress clothes;

—The Balmacaan coat (with Prussian type collar) that buttons right up to the neck or can be worn open as desired (an out-of-vogue item staging a comeback); and

—That tartan dinner jacket the King confesses to wearing in private and which set conservative minded Scots' tongues a-clucking—to be worn not as formal wear but around the house as a smoking jacket.

The all-nylon ensemble, incidentally, won't be all-Canadian — for a while anyway.

But at least one Canadian textile mill, (Dominion Woolens & Worsteds Ltd., Ont.) seeing a big future in nylon fabrics that's likely to cut into its regular cloth business, has laid plans to be first in the field with weaving of suiting cloths. This company is responsible for developing the cloth in the prototype suit which will be modeled next week.

And a prominent Quebec shoe manufacturer (Duchaine) made the shoes.

The outfit, says Charles Stibbard, Apparel Fair style director, should not be expensive (in comparison with other goods) by the time it reaches the market in quantity.

The men's wear show has been planned with all the hoop-la and what-have-you of the usual women's fashion show: models, music, parties, "Parisian" and "Mardi Gras" floor shows, awards.

Canada's 10 best-dressed men will be nominated and Men's Wear of Canada (Maclean-Hunter) is awarding Oscars to two clothing and two furnishings manufacturers adjudged tops in styling and promotion.

In between times: pep talks on merchandising; style and fabric trends; a national promotion campaign for men's wear business.

Subscription Rates Increased By The Financial Post April 1

The Financial Post announces its first increase in domestic subscription rates in 29 years, effective April 1. On that date special rates on two-year subscriptions will also be introduced.

Increased editorial scope and higher production costs have long foreshadowed a subscription rate increase. The extra charge will amount to $1 a year on 12-month subscriptions and 50c a year on two-year subscriptions. Newsstand prices remain the same, an adjustment from 10c a copy to 15c having been made two years ago.

The publishers invite you to renew your subscription now at prevailing rates for a further period of one year or two years: Domestic and British, $5 a year; U.S.A., $6 a year; other countries, as shown on editorial page.

Socialized Hospital Plan Goes Haywire

B. C.'s Year-Old Experiment With Sickness Deep in Red — Investigation Into "Gross Inefficiency" Demanded—Rates Up 32%

Special Correspondence

VICTORIA—British Columbia's venture into "socialized hospitalization" was having a terrible time this week.

Started just over a year ago, the ambitious scheme to provide hospital services for all had just about everybody who had anything to do with it up in arms.

The Provincial Government, attacked right and left during the present session, was preparing a drastic overhaul of the whole scheme; apparently sorry anybody ever thought it up.

Subscribers were screaming on two counts: rates had already been increased once (single men from $15-$21) and a second big boost was coming; even worse, after paying their fair share, a lot of people couldn't get into a hospital when they needed treatment.

Organized labor was demanding a full-scale investigation into what it charged was "gross inefficiency."

Those who had opposed the scheme from the start on the grounds that it was impracticable, doomed to trouble and political bait dangled before the voters during the last election, were saying: "We told you so."

What had happened?

Costs proved to be far in excess of revenue from premiums. Before the first year was over, the scheme was close to $3 millions in the red. It was a giant schemozzle.

(Saskatchewan had run into the same financial and administration headache with its scheme; so had the United Kingdom.)

The Hospital Insurance Act, passed in the spring session of 1948, set premiums at $15 for single persons, $24 for couples or persons with more than one dependent and $33 for families of more than two or persons with more than one dependent.

In return British Columbians were to have their hospital bills paid for all acute illness, including drugs, X-rays, laboratory facilities—all the services normally supplied by hospitals. A charge was to be made only for private rooms.

By the middle of 1949, six months after the scheme started operation, the government announced premiums would be up to $3 millions short of meeting costs for the first year. Premium rates for 1950 were increased and limited to two categories. Rates for single persons went up to $21 and for persons with dependents to $33, the maximum allowed by the act.

This is an increase of 32.6% and will bring in another $3 millions as against total collections of $10 millions for 1949.

Deficit in 1950

Regardless of the increase in premiums, it is estimated that the deficit will be $1 million to $2 million for 1950. For 1949 the government must bail out the insurance scheme with up to $3 millions from general revenue.

The scheme was intended to be self supporting, except for roughly $2 millions in per diem grants, shared equally by the government and the municipalities.

The government has been anxiously watching soaring hospital costs: 1946, $10 millions; 1947, $13 millions; 1948, $15 millions; 1949 estimate, at least $17 millions.

Part of the upward trend is attributed to the general upward trend of wages and material. But a big part also has been laid at the door of the insurance plan. With no limit on length of stay in hospitals it has been found that the average length of stay has been going contrary to the general trend on this continent. In Victoria city it has jumped by two and a half days since the start of the plan to an average of 13 days.

This has meant that many hospitals are constantly jammed.

Said Dr. R. C. Newby, president of the Victoria Medical Association: "There have been urgent cases waiting two to three months."

Said Health and Welfare Minister George Pearson: "That's true."

Hospitals are complaining, too, that doctors are making much greater use of hospital X-ray

(Continued on page 3, col. 1)

Inside News

Go-Ahead Stocks

So far, in 1950, the stock market has not been able to advance very far but some stocks are pushing steadily ahead buoyed up by certain "special situations." The Post lists 23 Canadian industrial stocks which have shown the biggest market advances in 1950 and gives reasons for their rise. (p. 8).

Trouble Ahead For Nfld.?

How does the immediate future look for Newfoundland as she comes to the close of her first year as a province of Canada? What are her problems, what new aid is sought from Ottawa? (p. 13).

What Next in UK Politics?

What's ahead for Britain following last week's stalemate vote? Is a split within Labor ranks likely? What does the vote show? A special report from London by Adelphi (p. 13).

Legalize Lotteries?

Should lotteries and sweepstakes for charitable purposes be officially sanctioned? Would they prove beneficial or retrograde? The Question (p. 7).

Your Income Tax

What deductions for income taxes may the professional man make? How are they determined? Another in The Post's new series, Your Personal Income Tax (p. 15).

Our Changing Market

Women are earning a lot more than they did prewar; often their earnings provide the family's surplus for "extras." What does the rise of the working wife, the increase in working women generally mean to the retail market? The fourth in The Post series, Our Changing Market (p. 16).

Sells Export Stocks

Holdings of stocks of the MacNab investment account that are particularly vulnerable to export trade have been reduced with the exception of three companies which are in a sound financial position and currently enjoy a good export market for their products. (p. 5).

	Page
Adelphi	13
Advertising Business	2
Banking News	15
Insurance News	19
Labor Roundup	11
Mine Development	22, 23
Provincial Roundup	24
What's New	12
You Asked Us	17

Pace of Business

Steel ingot production rose to 281,544 tons in January from 257,883 the month before, 275,987 January, 1949.

Silver, zinc production were greater in 1949 than 1948. In 1949 17.4 million fine oz. were produced; 290,700 tons of zinc. 1948 figures: 16.1 million fine oz., 167,300 tons.

Creamery butter stocks in nine cities Feb. 17 were 29 million lb. against 12.1 millions corresponding date last year.

Sea fish landed in Canada (excluding Newfoundland) jumped to 76.2 million lb. in January from 37 million lb. in January, 1949, with an increase in value to $2.2 millions from $1.5 millions. Biggest item was Pacific herring. Herring increased to 60 million lb. from 17.8 million lb.

Portland cement shipments to customers sank to 763,339 bbls. in December, compared with 1.3 million bbls. in November. Figures for 1948 were 741,662 bbls. in December, 1.3 million bbls. in November. Actual production in December, 1949, was up to 1.3 million bbls. from 1 million bbls. in December, 1948.

New primary copper production in all forms in December, 1949, was 23,640 tons compared with 22,043 tons the previous month, 20,831 tons in December, 1948.

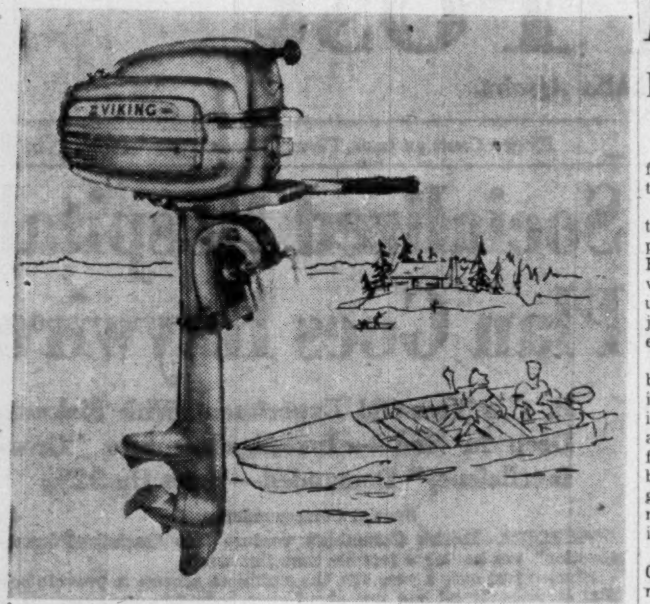
Egg production dropped 4% to 27.3 million doz. in January, against 28.5 million doz. same month of 1949. Ontario, Nova Scotia showed increases.

Asbestos shipments from mines dropped 20% in 1949, owing to the strike early in the year. Exports were down 23%.

Leather footwear production in 1949 increased 12% in number of pairs over 1948, was also higher than 1947 but lower than 1946 production. Output last year was 36.3 million pairs.

Cash reserves of chartered banks for December, 1949, stood at $753 millions compared with $746 millions the previous month.

Wholesale price index for farm products was 144.1 in January, down 0.3 from December and 4.1 lower than January, 1949.



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Frozen Breakfasts on the Way?

Here's How Orange Juice Concentrate is Launched

By RONALD WILLIAMS

Is the orange doomed as a fresh-fruit item on the breakfast table?

You couldn't be blamed for thinking so if you'd been at a posh breakfast party at Toronto's Royal York Hotel Tuesday at which a new "miracle food" product — Birds Eye frozen orange juice concentrate — was introduced in Canada.

Today, in the U. S. this is the biggest and fastest selling item in the fast-growing frozen-food industry. Three years ago hardly anybody had ever heard of frozen fruit juice. Of the 61 million boxes of oranges expected to be grown in Florida this year, as many as 25 million boxes will go into the new concentrate.

Sales zoomed from a slim 100,000 gallons in 1946 to slightly more than 10 million gallons last year. Already it is the No. 1 seller among frozen foods, accounting for perhaps 38% of all frozen foods sales in the U. S.

Now the industry is out to do the same in Canada. If the slick launching party in Toronto this week is any indication of the kind of marketing methods Birds Eye is going to use here, the orange, as such, if not doomed, is threatened. Birds Eye wasn't the first in the Canadian market with this kind of product. There are two or three others. But none had the official send-off Birds Eye gave theirs.

34-18 For Frozen

They gave me a sip out of glass A and then out of glass B. One contained the new concentrate the other fresh juice squeezed in the normal way; which, was a secret. Then you marked your preference on a ballot.

The result was startling: 34 preferred the frozen concentrate; 18 fresh juice.

Then Birds Eye Foods (Canada) Ltd., which threw the party through its advertising agency, Young & Rubicam, served a tasty bacon-and-egg breakfast, started with their new orange juice.

Then came the sales talk.

C. A. Massey, president of Birds Eye (also Lever Bros.) said it was the fastest growing food item in the U. S. Since its distribution on a national scale in 1947, sales have increased eight times. He predicts the new U. S. national breakfast habit will catch on here.

All the housewife does is open the can, pour it into a pitcher and add three containers of cold water. Shake well. Now it's ready to serve. The whole operation takes no more than 45 seconds and gives a pint and a half of pure juice. It would take eight to 14 fresh oranges, plus a lot of elbow grease, to make an equal amount.

22-Minute Process

How come? Dr. J. L. Heid, Director of Research and Development of the Florida Citrus Canners Co-operative, was on hand to explain. The juice is extracted by concentrating in an extremely high vacuum at a low temperature. This takes off air, water. What's left is "slush frozen." This is how the housewife buys it. The entire process from orange crate to can takes only 22 minutes. This time element is said to be the most important factor in retaining the original flavor and vitamin content.

Pricewise, the new product is competitive with fresh oranges. Birds Eye expect to retail their juice concentrate around 34c-35c. This will give about the equivalent of a dozen oranges. But how long the price line can be held is something else.

The new industry has been a bonanza for Florida citrus growers. The price of oranges has gone skyhigh. Mainly as a result of the demand for frozen concentrates, packers are now having to pay three times the price they paid a year ago for oranges.

In other ways, it has had an almost chain-reaction effect. It created a new fast freezing industry almost overnight. It gave grocers a staple item with a big turnover like bread or milk. And the end isn't in sight. Other fruit juices are already on the market — mainly grapefruit and a blend of it and orange juice. They are now busy experimenting with lemon and tomatoes — even with coffee.

IN PARLIAMENT

Your Digest of What Parliament is Discussing and Planning

Debate on the Speech from the Throne continued as members spoke on trade, unemployment, federal aid in various directions. Act was passed extending unemployment insurance coverage and benefits.

House voted down PC bid to have Canada call a Commonwealth trade conference. Form made it a nonconfidence motion, but Finance Minister Abbott didn't favor the plan in any case; enough conferences had been held, another right now wouldn't help, he said.

The filibuster twins, Cruickshank and Smith, renewed their attacks on two bills for incorporation of companies to build gas, oil pipelines from Alberta to the West Coast.

CCF members want Canada to accept inconvertible sterling for exports to Britain, and invest the money in the sterling area. They think peace-time repatriation of securities, including CPR stock, would work in with this . . . Government contends this would be only an indirect loan to the British, and would have to be written off or repaid with injection of extra British products into Canada's economy somehow.

Whether measures arising from Geneva and Annecy trade talks come before Parliament depends partly on actions of U. S. Congress. No decision reached at Ottawa, says Finance Minister Abbott.

Foreign countries without Canadian diplomatic and trade representatives are asking for them, Foreign Affairs Minister Pearson says.

An "eat more" campaign to swallow up farm surpluses resulting from lost markets is gaining favor. Frank Folwell (L., Hastings South) urged government promotion of higher domestic per capita consumption of apples, cheese. Apple surplus could be solved that way, he claimed.

Mr. St. Laurent has come out for interchange of western oil to the U. S.—through the market—for U. S. oil for the east, with Canada eventually self-sufficient in oil.

The alleged flat glass combine will be prosecuted, Justice Minister Garson said . . . .

Canadian Weekly Newspapers Association has asked Ottawa to prosecute effectively any and all combines, claiming freedom of the press is at stake.

Industry in Newfoundland is waiting to hear the Supreme Court's ruling on whether special tax exemption deals granted by previous island governments still hold under Confederation. Ottawa wants to know too for revenue reasons.

PC Leader George Drew came out for public works projects by Ottawa to fight present unemployment; urged electrical development, irrigation, land reclamation, conservation projects.

Government shows no sign of worry at scattered protests against DP's getting jobs. No one should try to set a limit on immigrants' progress by their individual effort, Immigration Minister Harris said.

Draft agreement with Ottawa on the Trans-Canada Highway will be sent out to provinces in a "few days," said Resources Minister Winters.

Should Ottawa have any authority over trucking, now a provincial matter? Ontario Good Roads Association Secretary T. J. Mahoney says take-over would be so unfair "I don't think it is possible." Director R. G. Cole claimed Federal treasury should chip in to road costs as it benefitted from tourist traffic. Transport Minister Chevrier has said trucks must be stopped from expanding beyond their natural sphere.

The government and CNR should stand by the Maritime coal industry in times of plentiful, cheap supply from the U. S., says Clarence Gillis, (CCF, Cape Breton South) "since cut-offs in the U. S. could shut Canadian industry down almost completely." He also urges promotion of industry in Maritime areas hit by overseas market losses.

He wants an excess profits tax at 50% of wartime rates to pay for lifting the old-age pension means test.

Government encourages fullest use of domestic coal by the CNR, said Transport Minister Chevrier, replying to critics; has contracted for all Canadian coal possible in 1950.

U. S. may be planning to hand over Newfoundland bases to Canada. Gen. McNaughton, co-chairman of the Joint Defense Board, is reported to have said Canada has "assumed full responsibility for the significant problems" of Canadian Atlantic seaboard defense. Defense Minister Claxton is to explain.

The Niagara power pact with the U. S. will not necessarily mean the end of the seaway issue at Ottawa. "We still need the St. Lawrence River project ratified," Premier Frost stated. Hugh Reynolds, Leeds MPP, just before the Niagara announcement, asked for "forcing" through of hydro development of the St. Lawrence so eastern Ontario can share in industrialization.

Belief of some municipal men that they should have representatives at future provincial-federal fiscal conferences was brought into the House by J. A. Ross (PC, Souris) who alleged "complete lack of understanding of many municipal problems" by cabinet ministers. Parliamentary Guide showed no ministers had municipal administrative experience, he said.

Talk of Federal money for universities seems on the increase. President G. E. Hall of University of Western Ontario says $6 millions a year would easily take care of Canada-wide needs . . . subsidies got approval of French Canadian Senator C. J. Veniot of New Brunswick. He said the grants wouldn't threaten provincial autonomy.

Splitting of Saskatchewan territory between Manitoba and Alberta is urged by Irvin W. Struder (L, Maple Creek) who claims his province can't continue to bear costs of socialist government, can't get private capital to develop resources. Continually seeking Federal aid, province would gain from tax resources of oil-rich Alberta, power-rich Manitoba, he says.

Question by Victor Quelch (SC, Acadia) on government reasons for refusing to sponsor a special committee on veterans' affairs this session, was ruled out of order as "controversial" during House opening quiz period. Members have been getting telegrams asking for the committee, proposed by the Canadian Legion.

CCF, still working for voluntary revocable check-off of union dues, is sponsoring bill for purpose.

Opening of port of entry for airplanes at Atlin, B.C., was asked by E. T. Applewhaite (L., Skeena) who claimed with publicity and transportation Atlin area might be most important tourist centre in western Canada.

P. E. Wright, (CCF, Melfort) has a bill to make Churchill, Man., base point under Wheat Board Act, in same position as Port Arthur, Fort William and Vancouver.

E. G. Hansell (SC, Alberta) wants retail price tags to show how much of the price goes for taxes.

CITY OF NORTH BATTLEFORD Sask. issue of 4¼% serial debentures due $123,000 Jan. 2, 1951-80 for local improvements and $48,000 due April 1, 1951-70 for a collegiate has been bought by James Richardson & Sons. The issue bought at 100.954, a cost to city of 4.16%. Second highest bid received was 100.875.

RADIO ADVERTISING SALES MANAGER

Long-established, successful radio advertising agency has opening for experienced advertising sales manager. Will be trained to take over complete management by next Fall. Radio advertising experience not necessary, but must have successful sales record in advertising field and must have strong connection with Toronto firms both retail and manufacturing. Please do not apply unless you have these qualifications. Excellent salary and commission arrangement, with increase in salary and share in profits after promotion. All replies treated in strict confidence. Give full details of experience, present earnings, marital status, etc.

Box 87,
The Financial Post, Toronto

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Technical Advertisers Association of Montreal announces an annual award in honor of N. E. D. Sheppard, late president of Canadian Engineering Publications Ltd., to be presented for the campaign "showing the best use of industrial advertising." It carries a cash prize of $200 to be shared equally by advertiser and agency, plus certificate. Open to any advertiser using industrial advertising in Canadian publications; entries must be received by March 31.

* * *

McKim Advertising Ltd. (Montreal) says cartoon-style ads for Nugget Products of Canada Ltd. will be released in April for both English and French markets, using national magazines, women's magazines, Class A weeklies, national weekend newspapers, farm publications, and dailies in selected areas.

* * *

F. H. Hayhurst Co.'s client, Bromo-Seltzer Ltd. is mailing a small carton containing one small and one large apple to druggists across Canada to tie in with current "Reach for the big one" ads, now appearing in drug trade journals across Canada and calculated to sell the Family Size of product. Wider consumer radio campaign for 1950 plus frequent insertions of moderate size in dailies in selected market. Trade journals will carry page a month. Streetcar cards in every city with buses and streetcars, and painted bulletins round out campaign.

* * *

Alford R. Poyntz Advertising Ltd. makes three appointments in its Toronto office. Endel Loo, Norway, and Norman Ortiz have joined layout department. Complete direct mail division has been organized under Gerry Rafelman, former sales manager of Torcan Manufacturing Co.

* * *

E. W. Reynolds Ltd. (Toronto) says a number of national magazines and various dailies across Canada will carry 1950 advertising of its new client, Ontario Ladies College, Whitby, Ont.

* * *

Kenyon & Eckhardt Ltd. (Toronto) says Kellogg Co. of Canada is using newspaper and farm publication advertising to back up a premium offer on its "Bran Flakes." For grocers' use, client is distributing large window posters; back-package panel of carton illustrates and describes offer.

* * *

Garry J. Carter Advertising Agency (Toronto) appointed by Admatic of Canada Ltd., Toronto, to direct advertising for its two products at point of sale. One is 30-slide picture viewer for use at exhibition, convention, etc.; the other a 15- to 25-slide "Shopper Stopper" for dealer counter use. Publications servicing the advertising sales fields will be used, plus direct mail letters and brochures.

* * *

McKim Advertising Ltd. advises that National Drug and Chemical Co. of Canada, Montreal, has renewed contracts for a national radio campaign for Air-Wick and Gin Pills; ranging from 15-, 10-, and 5-minute newscasts to one-minute spots on English and French stations.

* * *

Alford R. Poyntz Advertising Ltd. (Montreal) will direct advertising for World Electric Products Ltd., Montreal, makers of fluorescent light instant-start ballasts. Space will appear immediately in industrial and export publications.

* * *

F. H. Hayhurst Co. appointed to handle Canadian advertising for English product, Rennie's Digestive Tablets, distributed here by John A. Huston Co., Toronto. Large list of dailies will carry small space ads at frequent intervals.

* * *

E. W. Reynolds Ltd. (Toronto) reports T. S. Simms & Co. of Saint John, N.B., will use singing spot commercials on stations in selected markets from Halifax to Vancouver, between February 27 and May 18, to promote its Rainbow Brooms.

Stanbury & Company Limited
INVESTMENT SECURITIES
HEAD OFFICE : HALIFAX
SAINT JOHN DARTMOUTH

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

YOUNG VETERAN, 1950 graduate in Commerce and Finance at University of Toronto, with some business experience, seeks position with a future in fields of administration, finance, insurance, manufacturing or marketing. Box 61, The Financial Post, Toronto.

ACCOUNTANT Bachelor of Commerce. Superior qualifications, six years experience. Interested only in position offering attractive and challenging future. Box 68, The Financial Post, Toronto.

MINE PURCHASING AGENT

NOW EMPLOYED. Extensive experience. Self starter. Hard worker. Age 30. Box 81, The Financial Post, Toronto.

ACCOUNTANT - OFFICE MANAGER, thoroughly experienced in retail department store accounting, preparation of sales and cost analysis, stock control, tax returns and office supervision. Age 32, excellent references, presently employed, anxious to locate in Western Canada. Reply to Box 78, The Financial Post, Toronto.

PRESENTLY AVAILABLE
A RETAIL FINANCE EXECUTIVE

HAS BEEN OFFICE and credit manager and secretary-treasurer and executive assistant to the president in a large retail establishment, in direct charge of credit and financing problems. Fully qualified in taxation, credit policies and methods, as well as work simplification. Apply Box 85, The Financial Post, Toronto.

EXECUTIVE ASSISTANT

PROFIT-MINDED and capable. Ten successful years manufacturing, sales, market research. Graduate engineer; extensive commercial training. Age 31. Box 86, The Financial Post, Toronto.

POSITIONS AVAILABLE

CONFIDENTIAL SECRETARY

FOR THE GENERAL MANAGER of a Hamilton manufacturing company with a 5-day week and good working conditions. An excellent opportunity for a capable girl with initiative. Please give full details in your letter and enclose a snapshot. Box 60, The Financial Post, Toronto.

SECRETARY-TREASURER

NATIONALLY KNOWN, medium sized Toronto corporation in a highly mechanized industry requires the services of a young chartered accountant age 33-40. The man selected for this position will be developed to assume the responsibility of Secretary-Treasurer in two or three years. Starting salary $5,000 to $6,000. Apply in writing only to J. H. McQuaig & Co., Industrial Psychologists, 19 Melinda Street, Toronto. All applications will eventually be acknowledged and the name of our client revealed. Strictly confidential.

BUSINESS PERSONALS

YOUNG MAN, 33, presently holding junior executive position, seeking additional part time employment, offers Montreal representation. Good appearance, personality, technical and administrative background, ex-naval officer, fully bilingual. Particularly interested in handling Montreal interests for out of town businessman. Box 77, The Financial Post, Toronto.

AGENCIES WANTED

MANUFACTURERS' REPRESENTATIVE, Montreal area, can give small manufacturers good distribution. Established firm, central office location. Straight commission or other basis. Box 38, The Financial Post, Toronto.

Choose Now For Complete Selection!

Spring Suits...Tailored-to-Order

SUIT 59.75 to 78.50

You're sure to find the exact fabric . . . the correct shade and pattern you've planned on for your new Spring suit in the grand selection of suitings now at Simpson's! You'll find clear-cut or mill-finished worsteds, sturdy saxonies, cheviots, herringbones, donegals . . . a host of novelty weaves . . . pattern after pattern as well as solid tones in almost any shade you can name! Be sure to see this great lineup . . . select the fabric and style of suit you want, confident of careful, correct tailoring to your individual measure!

Tailored-To-Order Suit 59.75 to 78.50.

Simpson's

Tailored To Order Shop—
Second Floor—Dept. 264.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Allan, Killam & McKay (Winnipeg) — Joseph Gair, president.

Anglo-Newfoundland Development Co. Ltd. (Grand Falls, Nfld.) —B. C. Gardner (Montreal), a director.

Associated Credit Bureaus of Canada (Toronto) — C. B. Flemington (Toronto), president.

Bank of Nova Scotia (Halifax)—R. J. Smith, assistant general manager, F. W. Nicks, manager, Toronto main office; T. A. Boyles, manager, Ottawa main office.

Canada Gov't. (Ottawa) — Emile Vaillancourt (Montreal), ambassador to Peru; Thomas D. MacDonald (Stellarton, N.S.), director, Combines Investigation Act.

Canadian Breweries (Quebec) Ltd. (Montreal) — J. Arthur Coate, vice-president.

Canadian National Exhibition (Toronto)—R. C. Berkinshaw, president.

Canadian National Railways (Montreal) — E. B. Hawken, assistant to vice-president of personnel; A. B. Hopper, superintendent of pension system; G. L. Galloway, superintendent, motor power and car equipment; E. A. Spearing, superintendent of investigation, special service branch, Montreal; W. Kyle, asssistant vice-president, system operations, Montreal.

Carling Breweries Ltd. (Waterloo, Ont.)—Joseph J. Barnicke, district manager for western Ontario.

Columbia Cellulose Co. Ltd. (Vancouver)—W. C. R. Jones, mill manager at Prince Rupert.

Commercial Life Assurance Co. of Canada (Toronto) — George C. Crawford, E. B. H. Shaver, directors.

Empire Trust Co. (New York)—Eric L. Harvie (Calgary), a director.

Excelsior Life Insurance Co. (Toronto)—Earle B. Lunney, assistant superintendent of agencies.

Imperial Bank of Canada (Toronto)—H. W. Thomson, (Winnipeg) superintendent of branches at head office.

London Life Insurance Co. (London, Ont.)—Lieut.-Col. K. W. MacIntyre, London district representative, group insurance.

N. Slater Co. Ltd. (Hamilton)—Charles W. Cassels, vice-president and general manager.

National Research Council of Canada (Ottawa) — Dr. A. G. McCalla (Edmonton), joins cereal research committee.

North American Life Assurance Co. (Toronto) — Lewis V. Tibert, manager at Saint John.

Quebec Judiciary—Fernand Choquette, Superior Court.

Royal Trust Co. (Montreal) — John W. McKee, advisory board member, Toronto branch.

Smith, Davidson & Wright, Ltd. (Vancouver) — John Lecky, vice-president and director; Dave Duncan, a director.

Standard Motor Co. (Canada) Ltd. (Toronto)—A. C. L. Mills, director and general manager.

T. Eaton Co. Ltd., Canada (Toronto)—J. R. Jenkins, H. P. Parkes, directors; J. W. Eaton, director, Montreal company; J. Elliott, treasurer, and a director, Montreal company.

Toledo Scale Co. of Canada Ltd. (Windsor) — Robert M. Wiles, Toronto district manager.

Toronto General Insurance Co. (Toronto) — John S. Dickson, a director.

Trans-Canada Air Lines (Winnipeg)—D. E. McLeod, general supervisor of public relations.

Vulcan Iron & Engineering Ltd. (Winnipeg)—J. D. McDonald, vice-chairman, V. W. Tryon, vice-president; H. O. Jones, general manager.

Walsh Advertising Co. Ltd. (Toronto) — James J. M. Simpson, executive assistant.

Western Canada Petroleum Association (Calgary)—J. Grant Spratt, president; S. F. Heard, R. C. Brown, vice-presidents; G. W. Auxier, general manager and vice-president.

Windsor Hotel Ltd. (Montreal)—Senator Jacob Nicol, and Senator Armand Daigle, directors.

Zeller's Limited (Montreal) — W. T. LeBarr, manager, J. A. Bothwell, assistant manager, both at Toronto.

Obituaries

Cyril Francis Davie, 68, Duncan, B.C., former Legislature Speaker.

William Copp, 86, Toronto, former president of Copp, Clark Co. Ltd., 57 years with firm.

MINING PROPERTY

Experienced prospector, seeks finances to stake well-located mining claims, interesting values already obtained, 90% interest to financier. Information and reference upon request.

BOX 79
THE FINANCIAL POST, TORONTO

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared for the quarter ending March 31st, 1950, on all issued common shares of the Company, payable on Saturday, the 1st day of April, 1950, to shareholders of record at the close of business on Friday, the 17th day of March, 1950.

By Order of the Board.

N. G. BARROW,
Secretary.

TORONTO, February 28th, 1950.

CONSOLIDATED ANSLEY MINES LTD. has received payment for Feb. 19 installment of 50,000 shares at 12½c a share under agreement with Noront Securities Co. Issued capital is 1,927,446, leaving 1,572,554 in the treasury.

EXECUTIVE ENGINEER

Proven executive and organizer — seventeen years experience in Canada and U. K. in executive, production, and consulting capacities embracing design, development, manufacture and marketing. Employed but seeking position with scope for advancement.

APPLY BOX 83, THE FINANCIAL POST, TORONTO.

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THE NATIONAL CIRCULATION THAT SMALL ADVERTISERS CAN EASILY AFFORD.

THE PREMIUM CIRCULATION THAT BIG ADVERTISERS CAN PROFITABLY ADD.

How much of your money goes for waste circulation? Mayfair reaches big buying power with minimum waste.

ASK YOUR ADVERTISING AGENT OR PHONE
MAYFAIR MAGAZINE
DOMINION SQUARE BLDG., MONTREAL.
481 UNIVERSITY AVENUE, TORONTO.
A Maclean-Hunter Publication.

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1950

HERE'S the very book you have looked for, packed cover-to-cover with freshly-gathered facts on Western oils.

The story of success in oil is translated into terms of individual oil company drilling programs, production and earnings. Never before in Canadian history have so many Western oils been doing so well.

In this new edition, you'll find data on such famous names as Redwater, Leduc, Golden Spike, Normandville, Stettler, Excelsior, Lloydminster and many other oil areas, both new and old.

This "Who's Who of Oil" gives you everything: acreage holdings, finances, capital structures, as well as names of management and operating positions.

A map section will enable you to locate the properties you are interested in. A yearly price-range of listed stocks for 5 years shows recent spectacular movements of oils.

Note: Previous editions were completely sold out on release. Get your copies of this valuable new edition while still available.

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are showing amazing growth as more and more people realize the benefits of diversification of risk, redeemability, expert investment management and the generous return offered by this type of security.

These advantages are yours whether you invest $100 or $100,000.

The oldest and largest Mutual Fund in Canada is

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MAY WE SEND YOU DETAILS?

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Without obligation on my part please send me details of Canadian Investment Fund, Ltd.

NAME ....
ADDRESS ....

B. C.'s Socialized Hospital Plan Goes Haywire

(Continued from page 1)

equipment and laboratory facilities, that there is a tendency to use the latest and most expensive medicines when older ones are just as good.

The government has been silently grateful for the over-all shortage of beds in the Province and is afraid that cost will continue to soar as more hospitals are built. Fearful that a continued rise in costs can wreck the scheme, the government is now searching for ways of placing a limit on benefits without appearing to backtrack on its original promises.

A source of great irritation to the public has been the administrative tangle which developed within a month after the scheme began operation. It is just being unravelled now.

Registration and advance payment of premiums started in October 1948. By January, thousands upon thousands of unprocessed records had piled up. A system of 60-odd district offices had been set up with no central registry for the co-ordination of information. Thousands of letters went unanswered. The insurance service didn't know who had paid and who hadn't, while hospitals were demanding payment.

In February, J. R. Mannix, head of the million-member Cleveland Blue Cross was called in to help untangle the confusion. He recommended making payroll deductions compulsory, stating this would cover 80% of the estimated 450,000 persons who should be paying premiums, reduce an administrative staff of 535 to 200, and solve many of the complicated accounting problems. He also suggested abolishing most of the district offices.

Fearful of the reaction of businessmen who already feel they are doing enough government accounting, the government didn't follow his recommendations.

By late 1949, the situation had not appreciably improved. Premier Byron Johnson and Finance Minister Herbert Anscomb stepped in, insisted on more outside help. James Hamilton and Associates, prominent United States hospital consultants who had just finished a survey of the province's hospitals, was asked to take a look at the insurance plan.

While he was making his survey, feuding which had been smoldering beneath the surface for months between Hon. George Pearson and Dr. J. M. Hershey, hospital insurance commissioner, became public knowledge. Hershey resigned in December and took a job as assistant deputy Minister of Health in Saskatchewan. He charged the minister had refused to follow his recommendations on policy.

Starting reorganization, the government has placed the accent on youth and good business practice. Lloyd F. Detwiller, 32-year-old former Air Force combat pilot, Master of Economics, has been chosen as the new commissioner.

Detwiller's job as tax commissioner was given to 29-year-old Gerald S. Bryson, also an RCAF veteran.

It is reported now that the government thinks compulsory payroll deductions so important that it will risk the displeasure of business by imposing it next year.

Most study, however, is being directed toward controlling hospital costs and eliminating wasteful usage. Premier Johnson has said flatly that the government will not take over hospital administration as has been suggested in some quarters. He wants them administered at the local level, by local boards.

J. W. EATON

assistant general manager of The T. Eaton Co. Ltd., Montreal, has been appointed a director of the Montreal company.

Imperial Builds At 'Peg, Sarnia

Imperial Oil, Toronto, last week awarded general construction contract for its proposed new 12,000 bbl. day $10 million refinery at East Paul, near Winnipeg

At Sarnia, Ont., Imperial has construction and equipment installation well advanced for its first production of propane (liquefied petroleum gas).

Estimates Up $36 Millions After Many Demands Cut

(Continued from page 1)

what is called the over-all "commitment" in the current year.

This commitment is $194 millions for the air force; $97 millions for the Navy and $143 millions for the Army. Together with a small administrative item of $4 millions this combined commitment for the three services is $438 millions. But while any one of the three services can "commit" this much expenditure, the total cash that can be spent in 1950-51 is $53 millions less or $409 millions.

There are other defense items, including defense research, which brings the total cash budget for defense to $425 millions.

Over and above this flexible commitment system for 1950-51 the three services and defense research may commit the Government to a further maximum sum beyond 1950-51, of $144 millions, provided again that this does not affect actual cash outlay for the next fiscal year.

Put another way, the total over-all commitment of the three services and defense research is listed in the estimates as $607 millions of which only $425 millions can be spent in 1950-51.

Same Deal in Public Works

Something of the same principle has been introduced for the first time this year into public works estimates.

Total amount that the public works department can spend this year under the new main estimates is $100 millions, but the details of actual projects listed in the estimates adds up to $5 millions more than this figure. The difference represents the sum by which the department estimates that actual cash required in 1950-51 will fall short of the total "commitment."

What's been going on here and elsewhere in the new Treasury estimates, is the first concerted economy drive on public spending since the war. Reasons why this has been possible, include the fact that there are no major salary revisions to put through this year; that prices and costs are now more stable. But behind these and other "technical" reasons is the over-all necessity of getting the budget to balance in face of rising defense, public works and social service pressures.

Pressure Hard to Balk

One of the most difficult items to handle in this respect has been public works. The Government's physical plant is now in poor shape in many areas due to postponement of work that goes back to the thirties, when the depression was blamed.

Then followed the war and the postwar boom, both of which were valid reasons for further postponement. Now that materials and men are more freely available, the demand for increased spending in this field has been almost irresistible. The Government has attempted to resolve the difficulty by careful distribution of votes to match present areas of unemployment.

Another place where the Government has this time used the "commitment" plan for the first time is in the floor price policy on farm products.

According to the new estimates, the Government may make farm support price commitments up to a total of $40 millions in 1950-51 provided not more than $4.3 millions in cash is spent.

U. K. Gaining In Auto Market

(Continued from page 1)

(Studebaker, Hudson, Nash, etc.), and only 26,000 less than Chrysler.

It was no wonder some Canadians whose interests are solely in Canadian-made cars, were beginning to show some concern about the U. K. automobile invasion. A 11.5% chunk of all sales, if held when the market gets back to normal, could make a lot of difference to Canadian manufacturers.

If it is at all possible, the U. K. is going to hang on to its hefty slice. Development of the new heater is one way they hope to make their cars more acceptable and desirable to Canadians.

The Canadian test showed 75 deg. F. could be maintained in temperatures as low as 25 below (the coldest it reached in the Winnipeg area). As a result, the heaters will be installed as standard equipment on the leading U. K. 1951 models sold in this market.

U. K. firms themselves were the first to admit that the chief factor in the sudden surge in sales was devaluation. This let them slash prices up to $200 and immediately put them in an excellent competitive position with bigger Canadian cars.

The big question: can they hang on as the going gets tougher in this most competitive of all businesses?

WHERE FEDERAL REVENUES GO

Here's a breakdown by main expenditure items of where 1950-51 federal revenue will go as compared with last year:

	1950-51 Main Estimates	1950-51 (%)	1949-50 Main Estimates	1949-50 Main & Supplementary Estimates
Debt Interest	423.7	18.4	443.0	443.0
Payments to Provinces	106.0	4.6	121.9	121.9
Social Welfare:				
*Family Allowances	307.0		284.9	284.9
Unemployment Ins.	46.5		40.8	42.0
Health Grants	25.0		30.8	33.2
Pensions	103.6		74.2	74.2
Med. Services to Indians & Eskimos	11.7		10.7	10.7
	493.8	21.4	441.4	445.0
National Defense	425.0	18.4	375.0	382.9
Public Works:				
Departmental Vote	100.1		91.4	108.1
Airport Construction	9.4		13.1	13.5
Trans-Canada Highway	20.0		...	....
	129.5	5.6	104.5	121.6
Veterans' Affairs:				
Pensions	99.7		102.5	102.5
All other costs	116.1		144.2	144.7
	215.8	9.3	246.7	247.2
All other Depts. & Expend.	515.0	22.3	540.2	573.9
Totals	2,308.8	100.0	2,272.7	2,335.5
Loans & Investments:				
Housing	75.0		75.0	75.0
Vet. Land Act	29.0		28.0	28.0
Total*	105.5		124.3	132.1

*Includes other loans and investments.

Start Soon on $20 Million Toronto Housing Project

Largest residential development assured for the Toronto area this year is a $20 millions housing and commercial building project to be commenced this spring in suburban North York.

Twelve hundred houses (price range: $8,500 to $14,000 with a mean of about $9,000), apartment buildings containing 500 suites, and 12 acres of stores are embraced in the project which will take two years to complete.

Development is to be along the lines of a "planned community" — with land allocated for a school, playground, parking facilities, safety aisles, and an enlargement of a church. A small city of 2,000 families, it promises a substantial contribution to the relief of Toronto's persisting housing famine.

Farmland at Bathurst St. and Lawrence Avenue was bought several years ago by Central Mortgage & Housing Corp. It is being subdivided under the Land Assembly Plan by Investors Syndicate of Canada and Great West Life Assurance Co.

The two companies have invested nearly $1 million in the installation of public improvements. Half of the sanitary sewers and water mains are in, and road construction will begin as soon as weather permits. The prepared land is sold to contractors, with the two companies participating in the financing and exercising control over the nature of the development.

B. C. Electric Additional Issue Expected Soon

MONTREAL (Staff) — An additional issue of first mortgage bonds of British Columbia Electric Co. is expected to be offered to the public before the end of this month through a syndicate headed by Nesbitt, Thomson, & Co., Wood, Gundy & Co., and Societe de Placements Inc., The Financial Post understands.

Proceeds will be for the company's expansion program, expected to be substantially completed by te end of 1950 involving the expenditure of $22,700,000 for various projects.

Look For It Here

March 4, 1950

REGULAR FEATURES

Adelphi	13	Others Say	6
Banking	15	Oil Production	23
Editorials	6	Post Scripts	6
Grains	18	Prov. Roundup	24
Insurance	19	The Question	7
Investments	4, 5	Tax Notes	17
Labor Roundup	11	Quotations	20
Managed Invest.	5	What's New	12
Market C'ment	21	You Asked Us	17
Mining	22, 23		

INVESTMENTS

Acme Glove	4	Imp. Tobacco	4
Asbestos Corp.	14	Indust. Accept.	4
Am. Brake Shoe	18	Inter. Nickel	16, 18
Brazilian Tract.	4	Jaculet Mines	24
Brown Co.	5	Journal Publish.	12
B'terfly Hosiery	17	Kimberley Clark	4
B. C. Electric	17	Kelvinator of C.	8
B. C. Telephone	10	Lambton Loan	24
Brant. Cordage	8	La Co. Fonciere	4
Burlington Steel	8	Lambton Trust	10
Brompton Pulp.	18	Lake St. John P.	18
CIL	19	E. Lipsett Ltd.	5
Corp. Investors	5	Melchers Distil.	15
Consumers' Gas	5	Montreal Tram.	8
Central Trust	15	Mod. Containers	8
Can. Gen. Inves.	16	Milton Brick	4
Cosmos Imperial	17	N. W. Brewing	14
Can. Marconi	8	Natl. Sewer Pipe	5
Chatco Steel Pr.	8	W. Neilson Ltd.	4
Craig Bit	8	Ontario Steel	17
Can. Packers	8	Orange Crush	8
CNR	5	Ottawa L. H.	9
Commercial Life	19	Peller Brewing	24
Dom. Tar & Ch.	7	Port. La Prairie	19
de Havilland A.	8	Quebec Power	24
David & Frere	8	Simpsons Ltd.	12
Debent. & Sec.	12	St. Law. Pap.	18, 19
Dunlop Tire	14	Skuttle Mfg.	19
Eaton Manuf.	16	Sangamo Co.	19
Fleury Bissell	7	St. Law. Corp.	18
Gairdner & Co.	4	United Secs.	8
Gen. Trust of C.	16	Western Cartage	12
Hamilton Cotton	17	West. C. Brew.	9
Holden Mfg.	14	Zellers Ltd.	8, 19

MINES AND OILS

Anacon Lead	22	La Luz Mines	23
Bonetal Gold	22	Lake Surprise	22
Calder Bousquet	22	Magnet Cons.	22
Candego Gold	22	Macassa Mines	23
Colonial Asbes.	22	Mary Ann	22
Chem. Research	22	New Goldvue	10
Campbell R. L.	22	New Augarita	22
Coniagas Mines	14	New Dickenson	23
Dome Explor.	22	Norseman Mines	22
Frobisher Ltd.	22	Noranda Mines	4
Heva Gold	23	Queenston Gold	22
Howe Sound	9	Renabie M.	22, 23
Imperial Oil	23	Sherritt Gordon	23
La Ronge Uran.	22	Sturgeon River	9
Little L. Lac	23	Yukon Cons.	22
Louvicourt G.	23		

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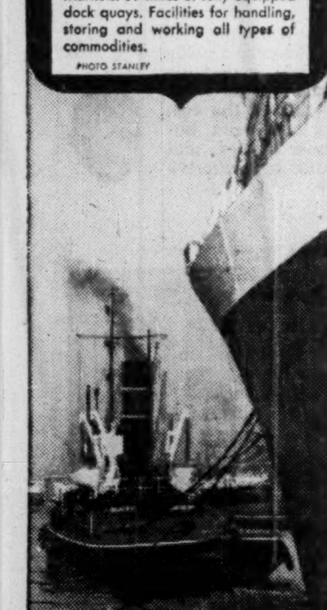
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INVESTMENTS THIS WEEK

St. Lawrence Corp. Shows Effect of Pulp Sales Drop

Financial circles viewed with considerable interest the appearance of the 1949 annual reports of the St. Lawrence Corp. group this week. These were the first of the big pulp and paper companies' reports to appear and consequently gave some indication of what the industry might be expected to show as well as partly explaining the good market performance of the St. Lawrence Corp. and St. Lawrence Paper Mills stocks.

As was generally expected, these reports indicate that the higher the proportion of total sales and profits of any pulp and paper firm that comes from newsprint production, the better it is likely to have done in 1949. For 1950 it would appear that the same experience might prove true.

Discussing the operations of St. Lawrence Corp. and its subsidiaries, Chairman of the Board David Van Alstyne, Jr., said: "The earnings of the three manufacturing subsidiaries of the corporation were, in the aggregate, slightly lower than in 1948 due largely to the weak market for sulphate, sulphite and groundwood pulps."

This condition affected both the volume of sales and the prices. Newsprint tonnage sold (except for Brompton Pulp & Paper Co. where newsprint is only a small proportion of total tonnage) was slightly higher while its price remained steady at $100 a ton New York.

Regarding the 1950 outlook, no statement is made regarding the pulps, which in itself would seem to indicate uncertainty. But P. M. Fox, president of St. Lawrence Paper Mills Co. and of Lake St. John Power & Paper Co., states: "It is expected that sales of newsprint will continue at a high level in 1950."

The records of the three manufacturing subsidiaries bear out the general statements. (See annual reports, page 18.)

St. Lawrence Paper Mills reports net sales of $16,571,193 in 1949 ($17,125,777 in 1948), a net profit from its own operations of $2,946,824 ($2,070,444) and dividends from Lake St. John of $1,103,435 ($903,301).

Its increased net profit would seem to reflect a considerable improvement in efficiency at the mill together with the 10% premium on U. S. funds for the latter part of 1949. Its newsprint production reached an all-time record of 192,543 tons, but was up only slightly from 190,302 tons in 1948, while no surplus sulphite or groundwood was sold in 1949 as against 10,440 tons in 1948. (Tonnage sales were likely slightly higher than production as inventories were reduced slightly.)

Lake St. John Power & Paper Co.'s net sales were $9,262,720 ($11,623,780) and its net profit was $1,332,808 ($2,016,931). Its newsprint production was 102,793 tons (101,604 tons) but its sulphite production was only 5,183 tons (27,640 tons).

Brompton Pulp & Paper's net sales were $16,150,850 in 1949 ($20,259,902) and its net profit $963,087 ($1,547,120). It showed tonnage sold of container boards at 100,482 (103,376), kraft wrapping papers 22,487 (26,617), groundwood pulp 7,185 (30,935), sulphate pulp 7,746 (14,295) and newsprint 7,570 (17,137). Brompton stopped operating its newsprint machine last May 28, as costs were considered too high.

In other words, these companies showed sulphite production of less than one fifth of its 1948 level, groundwood sales at less than one quarter and sulphate pulp sales down about 45%.

From an investor's standpoint, both St. Lawrence Corp. and St. Lawrence Paper Mills made good progress in retiring their second preferred stocks. The Corporation retired 42,580 shares to reduce total outstanding to 198,175. Paper Mills retired 35,314 shares to reduce its total outstanding down to 78,348 shares. These purchases will result in an annual reduction of $161,334 in dividend requirements. The purchase price was $1,128,711 lower than the call price. In each case the amount spent was greater than required under the plan of reorganization.

St. Lawrence Corp. 1st preferred is currently selling about $33 a share (callable at $55) to yield 6.06% in basis of its $2 annual dividend rate; the second preferred is selling about $15½ a share (callable at $20) to yield 4.83% on basis of its 75c annual dividend rate, and the common is about $15½ a share.

St. Lawrence Paper Mills 1st preferred is currently selling about $90 a share (callable at $105 a share) to yield 6.67% on basis of its $6 annual dividend rate and its second preferred at about $53 a share (callable at $60 a share) to yield 4.53% on basis of its $2.40 annual dividend rate.

H. P. PARKES

director and general manager of The T. Eaton Co. Ltd., Maritimes, has been appointed a director of The T. Eaton Co. Ltd., Canada.

Gairdner Buys Acme Glove

MONTREAL (Staff)—Controlling interest in Acme Glove Works Ltd. has been acquired by Gairdner & Co., Toronto investment dealers, from J. Louis Levesque, president of Credit Interprovincial, Ltee, Montreal investment dealers, The Financial Post is informed.

Gairdner & Co. is believed to have acted as agent for another party in the transaction. Neither the number of shares nor the price involved in the transaction is being revealed.

J. Louis Levesque acquired control of Acme Glove for his personal account in April, 1949.

What changes, if any, there will be in the board of directors or management was not known to company offices at press time this week. This will depend on the new owners.

Plans have been received from the architects for the company's proposed new plant at Joliette, Que., The Post is told. Whether these plans will be proceeded with now will also depend on the new owners.

New Copper Mine Coming For Noranda in Gaspe?

Is a new copper mine gradually emerging for Noranda Mines in the Gaspé peninsula? Issuance of the 1949 Noranda annual report, now in course of preparation, is expected to lend support to the view that this property is taking on real importance.

"Drilling this year has been quite encouraging," General Manager H. L. Roscoe tells The Financial Post, confirming current reports to the effect that four bands of ore, overlying each other, have been located with the lowest of these apparently running the best grade. There has been a pretty good grade indicated latterly, although it would not be correct to term material high grade, Mr. Roscoe indicates.

Extensive drilling has been done and the diamond drill program is continuing steadily.

Drilling before the war indicated 35 million tons of material at Noranda's Gaspé Copper Mines subsidiary averaging 0.9% copper, which could hardly be termed outstanding. Drilling in 1948 added a further six million tons of 1.8% copper grade. Results since then have continued encouraging.

Deepening of old holes through 150 ft. of barren material resulted in exploration getting into better grade.

The Gaspé Copper Mines property is located at Needle Mountain in Holland twp., Que. As it is not far from the Atlantic, construction of a railway to carry copper concentrates to tidewater transport would not present any great problems. Mining would have to be by underground methods.

Noranda continues to work on its Orange Free State gold negotiations but there has been nothing definite in this direction as yet, it is learned.

Court Award Made Three B.C. Utilities

Awards have now been made by the Appeal Court in connection with the properties of three British Columbia utility companies which were expropriated by the British Columbia Power Commission in 1945.

West Canadian Hydro-Electric Corp. has been awarded $3,289,700, as follows: market value $2,850,000, premium on bonds $71,930, severance damages $25,000, reorganization expense $42,264, liquidation expense $9,950, 10% for compulsory taking $285,000, and prepaid expense $5,556.

Nanaimo-Duncan Utilities Ltd. was awarded $1,700,000.

Columbia Power Co. was awarded $226,000.

The question of interest and costs is to be the subject of a written submission which is to be made shortly, The Financial Post is told.

Imperial Tob. Debentures Quickly Sold

The $10-millions Imperial Tobacco 3% 20-year sinking fund debentures being offered jointly by A. E. Ames & Co. and Dominion Securities has been rapidly oversubscribed, The Financial Post is informed.

Proceeds of sale will be used to reduce bank loans incurred in purchase of leaf tobacco by the parent company or its subsidiary companies. It is estimated that there will be an indebtedness in form of temporary bank loans of about $7 millions after proceeds of sale of debentures. These loans are not reflected in company's balance sheet for Dec. 31, 1949 as January, February and March are heavy buying months for leaf tobacco.

Net earnings in 1949 amounted to $7,065,409 ($7,379,049) according to the offering prospectus. Included in earnings position was $2,525,121 in dividends received from subsidiary companies ($2,305,006 in 1948). After giving effect to new issue, capitalization consists of an outstanding $8.4 millions 2¾% serial debentures due 1954-65 and $6.6 millions 2⅞% debentures due 1966, and $10 millions 3% 20-year sinking fund debentures. Outstanding stock capitalization consists of $8,030,000 6% preference $4.86-2/3 par; $10 millions 4% preference, $25 par; $48,155,160 ordinary, $5 par. Maximum annual interest requirements for total debentures now outstanding will be $720,750. New debentures are priced at $98.15 and accrued interest to be dated March 1, 1950.

By agreement dated Feb. 8, 1950, Imperial Tobacco acquired the business of Brown & Williamson Tobacco Corp. (Export) Ltd., London, Eng., for $1,875 in cash and 7,500 common shares of Imperial to be issued to British-American Tobacco Co., nominee of the English company, the prospectus discloses. The agreement gives Imperial Tobacco exclusive rights for Canada and Newfoundland for the Brown & Williamson trademarks, trade names and brands. Brand names acquired include "Target," "Kool" and "Sir Walter Raleigh."

The new debentures are redeemable in whole or in part at any time prior to maturity within 30 days notice at prices ranging from $100 (per $100 of debentures) if redeemed less than two years before maturity to $101.50 if redeemed 19 years or more before maturity.

Kimberly Clark To Double Mill At Kapusasking

Plans for doubling the capacity of a new mill constructed at Kapuskasing, Ont. in 1945 are announced by Kimberly-Clark Corp. less than a year after it has completed a record-breaking postwar expansion program in Canada.

The program involves the conversion of wood pulp into finished goods for Canadian markets whereby production for the trade-name product of Kleenex—begun there five years ago — will be greatly increased. In addition the product will be also manufactured for the trade-name products of Kotex and Delsey.

Total cost will be upward of $3 millions including a $150,000 housing program. It is estimated that additional woodlands operating employment for 250-300 men will also result. Work will begin immediately on both mill and town expansion.

Another direct growth program for Ontario is tied in with these announcements. Kimberly-Clark manufactures the sanitary crepe wadding for a long-standing customer, Canadian Cellucotton Products Co. which is coincidentally expected to expand its converting operations in Southern Ontario. It is estimated that additional employment of over 100 persons will be required by Canadian Cellucotton.

Crepe wadding for its Southern Ontario operations was previously largely supplemented by imports from Niagara Falls, N.Y. When the new plant is completed, 95% will come from the north via C.N.R.

This decision may be the forerunner of a still broader program for manufacturing other forms of finished products in Canada, it is intimated. Kimberly-Clark has developed numerous industrial crepe wadding products reported to be finding new and growing markets.

Industrial Acceptance Corp. To Offer $10 Million Issue

MONTREAL (Staff)—Offering of a new issue of $10 million Industrial Acceptance Corp. 4% sinking fund debentures, dated April 1, 1950 and due April 1, 1969, is expected to be made shortly by Greenshields & Co. and Wood, Gundy & Co. It is understood that the debentures will be offered at par.

Proceeds will be used to retire the existing issues of debentures now outstanding in the amount of $4,650,000 and the balance to provide funds for general corporate purposes. Formal notice was issued this week calling the presently outstanding debentures series "A," "B" and "C" for redemption on April 1 next.

One reason for the new issue is to permit an increase in the amount of outstanding debentures in order to meet the growing needs of the business, The Financial Post understands. The trust deed for the presently outstanding debentures only authorized issuance of a total of $5 millions debentures. By refunding all these debentures, the present trust deed and its limitations is terminated, as an entirely new trust deed will be drawn up for the new issue.

The new debentures will be redeemable, in whole or in part, on 30 days' notice at a premium of 2½% for the first year of their term, thereafter the premium declines ⅛ of 1% each year up to April 1, 1967. Thereafter to maturity the premium will be .50%. Provision is to be made for annual sinking fund of 2½% of the par amount of debentures issued.

Consolidated earnings available for debenture interest for the 12-month period ended Dec. 31, 1949 amounted to $3,278,176, or over eight times interest requirements on the new debentures.

1949 Net Profit Up

Consolidated net profit of Industrial Acceptance Corp. amounted to $1,960,901 for the year ended Dec. 31, 1949—up 69.4% from the 1948 net of $1,157,038 and at an all time high. After deducting preferred dividends paid, this was equivalent to earnings of $6.43 on each of the 278,275 common shares outstanding at Dec. 31, 1949.

It was announced that the company is enjoying a substantially increased volume of business which is reflected to a degree by the portfolio of notes and accounts receivable which totaled $92,581,048 at Dec. 31, 1949.

Earned income in 1949 amounted to $11,103,870 — 70% higher than in 1948 when it was $6,532,526.

On the basis of the company's consolidated balance sheet as at Dec. 31, 1949, net tangible assets, after the deduction of all prior liabilities and after giving effect to this financing, would have amounted to $22,841,002 or approximately $2,284 for each $1,000 debenture to be outstanding. Of the consolidated assets over 99% is in the form of cash and receivables.

Of over $1 billion of receivables purchased during the 18-year period ended Dec. 31, 1949, the company's credit losses have been less than one tenth of 1%.

Simpsons Issue Sells Quickly

The offering of $5 millions 4½% culmulative redeemable preferred shares, par value $100, of Simpsons Ltd. being made by a syndicate headed by Wood, Gundy & Co. has been rapidly oversubscribed, The Financial Post is informed. Proceeds of issue will be used for additional working capital to handle the substantially increased volume of business and for other corporate purposes, the offering prospectus states.

Outstanding capitalization after giving effect to new financing will consist of $12.9 millions 3½% serial bonds, $14.5 millions 2½-3½% secured term notes, $20 millions 4½% cumulative redeemable preferred shares, 360,000 class "A" shares no par value and 360,000 class "B" shares, no par value. Interest requirements on the first mortgage bonds and secured term notes now outstanding amount to $889,000 annually, which amount will decrease as serial bonds and notes are retired. Dividend requirements on the $20 millions 4½% cumulative redeemable preferred shares to be outstanding will amount to $900,000 annually.

Consolidated net earnings of the company (including refundable portion of excess profits taxes) in year ended Jan. 4, 1950 amounted to $4,356,069 ($4,177,243 previous year).

Preferred shares are redeemable at any time at option of the company, on 60 days' notice, at 104, plus accrued and unpaid dividends to date fixed for redemption. Company may purchase the whole or any part of preferred shares by tender, in the market or otherwise, at any price or prices not exceeding redemption price plus costs of purchase.

Wm. Neilson, Ltd. Buys Toronto Building

William Neilson, Ltd. has purchased a two-story sheet metal and mill construction building at Dupont St., Toronto, formerly occupied by Eastern Steel Products at a registered price of $105,000.

The building is being used by the Neilson company for storage purposes and no immediate plans for new construction are said under consideration.

TOWN OF SIMCOE issue of $225,000 3¼% debentures, maturing March 1, 1951 to 1970 has been awarded to Canadian Bank of Commerce and J. L. Graham & Co. Price paid for issue was 101.217, highest of 14 offers received. Financing is for building and equipping a 15-room addition to the Simcoe District High School. Collection of current taxes in Simcoe have exceeded 96% of the annual levy in each of the last 16 years.

Toronto to Call for Tenders On Next Big Slice of Subway

Torontonians and visitors may ride sooner than they think on the 10-ft. wide cars of Canada's first rapid transit subway system.

Toronto Transportation Commission — not resting on its September-February construction laurels—within a few days will advertise for contractors' tenders covering the next 1½ miles of the Yonge St. "big dig" (The Financial Post, July 30, Nov. 19).

First 1½ miles of the $55 millions 4½-mile project bisecting central Toronto (sections 1 and 2) is held by a Canada-U. S. group, Pitts, Johnson, Drake & Perini, at about $10.5 millions. It's due to be finished about a year from now.

Will an individual Canadian firm or all-Canadian team win the next link? Or a British dark horse? Or will the subway continuation go to Pitts, Johnson in keeping with building tradition that the man on the job holds the best cards on costs? That was the question being asked in Central Canada's "heavy construction" group this week.

In Canada and Toronto recently on a trade study and promotion visit, Sir Cecil Weir, chairman of Britain's dollar exports board said he expected there will be bids from U. K. firms on construction as well as on rolling stock for Toronto's 5-year subway building and a similar project Montreal is considering.

Tenders to be called about March 1 by the TTC will be for sections 3, 4, and 5, under Yonge from Alexander St., just above Carlton, to near Muir Memorial Gardens, above St. Clair. From Alexander to about Davenport Rd., the operation will be cut-and-cover, as already familiar in downtown Toronto. Then, from there north to Pleasant Blvd., mostly open cut, with main cross streets bridged. From Pleasant to the gardens will be cut-and-cover again, excepting tunneling under CPR right of way.

Separate contracts will be let for way stations, track and power laying, certain other construction work and rolling stock for the whole system.

B-A Oil Co. Awards Contract

As soon as weather conditions permit, construction work will commence on a new refinery at Edmonton for the British American Oil Co. The contract for the processing equipment has been let to the Canadian Kellogg Co. All other construction will be carried out by B-A's own engineering department, including buildings, tankage, laboratories, boiler house and offices.

The refinery, which will have an annual capacity of two million bbls., will be located on 160 acres of land on highway No. 16 on the east side of the city. Equipment will consist of a combination crude-oil distillation and thermal cracking unit, a coking unit, a fluid catalyic cracking unit and a complete chemical treating plant.

Brazilian Net At New High

Canada's biggest foreign utility company — Brazilian Traction, Light & Power Co.—has just finished the best year in its 37-year history. The year 1949 has also been the 10th successive year in which earnings have shown a substantial increase over the preceding year.

Net earnings for the 12 months of 1949 amounted to $31,657,713, up 16.9% from 1948. Common share earnings based on this figure would work out at $4.50 as against $3.85 for 1948. The 1949 figures are estimated and subject to a final adjustment when annual accounts are made up. In 1948 final adjustment resulted in a downward revision in earnings to $3.85 from preliminary estimates of $4 a share. Providing year-end adjustments for 1949 are not greater than in the preceding year final common share earnings should be between $4.35-$4.50.

	1949 $	1948 $
Gross oper. earns.*	123,884,473	101,945,202
Less: Oper. exps., depr., amort., etc.	92,226,760	74,858,960
Estimated net earns.	31,657,713	27,086,242

*Operating results as shown in dollars are taken at average rates of exchange. All figures are subject to final adjustment when the annual accounts are made up.

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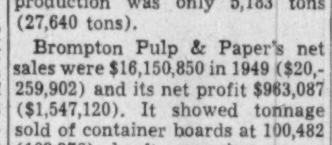
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Profits for the past 8 years average over $20,000.00 after management salaries.
Sales volume in excess of a quarter million dollars. Gross Assets over $150,000.00
BOX NO. 84, THE FINANCIAL POST, TORONTO

First Quarter Earnings Good For Brown Co.

MONTREAL (Staff)—Earnings of Brown Co. for the fiscal year ended Nov. 30, 1949, were substantially behind those for 1948, President Laurence F. Whittemore has stated. However, the company earned and paid the regular dividend on its $6 cumulative preferred stock, he said.

For the year ended Nov. 30, 1948, company reported consolidated net sales of $48,070,000 and net profit of $3,936,278, equivalent to $27.31 a share on the outstanding preferred stock and to $1.54 a share on the common stock. One year's dividend requirements on the 6% preferred stock would amount to $864,906, so that 1949 net profit would be greater than this figure.

Brown Co. is working on a plan for debt reduction and simplification of its equity stock position, Mr. Whittemore said. At present it has two mortgages and serial notes outstanding. "We would like to have only one mortgage and have accumulations on the preferred taken care of. We hope to make some rearrangement of debt and equity structure," Mr. Whittemore stated. The company's cash position is very good, he added.

The disappointing showing for 1948-49 fiscal year was due to lower prices and reduced demand for the company's products, according to Mr. Whittemore.

MANAGED INVESTMENT

MacNab Reduces Stocks Vulnerable in Exports

With exception of Aluminium, Int. Nickel and Powell River, all of which are in a sound financial position and enjoy good export markets for their products, MacNab has reduced holdings of stocks particularly vulnerable to export trade. Since approximately 50% of account is now invested in fixed income type securities—bonds and preferred stocks—account has become more stable.

MacNab's Manager Says:

Since the last report on your account, no significant change has occurred in the value of your investment account.

As at Feb. 14, the account is valued (see valuation below) at $18,110.10 compared with $18,132,-85 on Jan. 15. The stability of the account is no doubt caused by the fact that approximately 50% of the securities are of the fixed income type, including bonds and preferred or Class A stocks, which are not so subject to minor fluctuations in the day-to-day trend.

Anticipating some major movement after the elections in Great Britain on Feb. 23, I made no changes in your account for the past month or two. It was not the province of the writer to attempt to predict the outcome, rather to try to hedge against any drastic change in the economy of our Canadian way of life which may be influenced by developments externally.

With this in mind, I have reduced the holdings of stocks in your account which are particularly vulnerable to export trade, with the exception to Aluminum, International Nickel and Powell River Co. all of which are in sound financial position and enjoy a good export market for their products, at least for the present.

It should be noted that the annual report for Bell Telephone revealed the fact that only $1.20 was earned on the common stock after all charges and that over $5 millions was drawn from surplus to meet the annual $2 dividend requirement. While this policy would seem to be unsound, it clearly demonstrates the need for an upward revision in rates which will be decided by the Board of Railway Commissioners in March, I believe. The fact that the market for Bell has not declined to any extent would indicate that the market is betting on a rate increase being granted. As one of the prime investment stocks in Canada, I am inclined to hold the stock in the light of present circumstances.

The directors of the Canadian Pacific Railway have declared a dividend of 3% (75c) on the common stock, with the usual statement that the dividend is payable from investment income. Although the Smelters dividend was not as large for 1949 as in the previous year, it is sufficient to permit payment of the CPR dividend out of special income. Here is another case where the needs of a large public company serving the community are being hampered by continual demands for increased wages and by rising costs of materials, without adequate rate increases, and, to make it worse, by undue delay in handing down a decision in the matter. The decision of the Supreme Court of Canada has been in favor of the Company regarding the recent temporary increase, which has proved to be inadequate, and with regard to the authority of the commission to delay the matter.

During the month ended Feb. 15 you received $22.50 in dividends and the monthly withdrawal of $40 for personal expenses was made. After allowing for cash credit of $4.74 standing at Jan. 15 the position at Feb. 15 was a cash deficit of $12.76.

The MacNab Account Now Stands

No. of Shares		Cost per sh. $	*Market per sh. $
	Common Stocks		
20	Aluminium Limited	51½	53
25	Bell Telephone	41⅜	40
75	CPR	15¼	17⅝
50	Famous Players	14½	15
50	Imperial Oil	17¼	21⅝
25	Inter. Nickel	34¾	32
50	Inter. Utilities	21½	20⅜
10	Noranda	49	68½
15	Powell River	37	45
30	Sick's Breweries	15¾	21½
	Preferred Stocks		
50	B. C. Power A	27½	28⅜
25	Acadia Atlan. Sugar A	24¼	24½
	Bonds		
$1,000	Can. Sav. 2¾% 1957	100.00	100.00
$2,000	Can. Sav. 2¾% 1956	100.00	100.00
$1,000	Can. Sav. 2¾% 1958	100.00	100.00
$1,000	Can. Sav. 2¾% 1959	100.00	100.00
$1,000	C.N.R. 2⅞% 1969	100.00	100.00
$1,000	Ang.-Can. Oil 4% 1964	100.00	105.00
Cash deficit			$12.76
Current market value of fund			$18,110.10
Annual income			$846.00
Average yield on original $10,000.			8.46%

*As at Feb. 15.

$22 Millions CN Trust Certificates For New Equipm't

MONTREAL (Staff) — A new issue of $22 millions of Canadian National Railways equipment trust certificates is being offered by a syndicate headed by Dominion Securities Corp. and Bell, Gouinlock & Co.

The issue, dated March 15, consists of 10-year 2¼% serial certificates maturing $1.1 million each six months, with the first maturity due Sept. 15, 1950 and the last due March 15, 1960. Offering price is $99.53 to give an average yield of 2.35%.

Security for the issue will include new standard railway equipment having an aggregate cost price of over $29.5 millions. Proceeds will be to finance part of the purchase of this equipment.

Corp. Investors Reduces Bonds Adds Stocks

Reduction in portfolio holdings of bonds and sizeable increase in holdings of stocks highlighted the quarterly report of Corporate Investors Ltd. for the quarterly period ended Jan. 31, 1950. Cost of company's portfolio is stated at $1,649,253 which is $737,559 less than market value at same date.

Net earnings for the nine months ended Jan. 31, 1950 equalled 31.6c per share on average number of shares outstanding and total distributions for same period have been 26c per share, an increase of 2c over same period of last year. Issued capital has increased 20,194 shares, or 8% since Oct. 31, 1949.

Here are the main portfolio changes as compared with Nov. 30, 1949.

BONDS

Sale
$20,000 Hydro-Elec. Pr. Comm. of Ont. 3%, April 1965/67
$10,000 Hydro-Elec. Pr. Comm. of Ont. 3%, Jan. 15, 1966/68
$15,000 University of Toronto 3%, 1970

Purchase
$34,000 Imperial Oil 3%, 1969

STOCKS

(Foods, Grain & Milling)	
Canada Malting	+125
Canada Packers B	—200
Fanny Farmer	—250
(Public Utilities)	
British Columbia Power A	+50
Shawinigan W. & P.	+250
(Iron & Steel)	
Dom. Steel & Coal B	+250
(Pulp & Paper)	
Abitibi P. & P. $1.50	+250
Cdn. Wirebound Boxes A	+150
Eddy Paper A	+50
Great Lakes Paper $2.50	+100
Consol. Paper	+250
Int. Paper Co.	+1,000
(Merchandising)	
Cassidy's Ltd.	+100
(Mining)	
Negus Mines	+250
(Sundry)	
Aluminum Co. of Can. 4%	+200
Canadian Bronze	+250

New Canadian Millions Pour In For Oil Boom

(Continued from page 1)

ferred charge of 5% is proposed out of profits to Tanner & Co., Cochran Murray & Co. and Greenshields & Co. but no other commissions or fees will be paid.

The three leases involved in the Royalite-Triad arrangement are the southwest and northwest quarters of section 36, township 56 and the southeast quarter of section 1, township 57 all in range 21 west of the 4th Meridian. Royalite expects to have all three quarters completely drilled out by June. It has been estimated that the three quarter sections may have an ultimately oil yield of approximately 16 million bbl.

Same Plan Elsewhere

Debentures combined with common stock will play a double role in the financing of the southeastern quarter of section 34 lying two miles west-northwest of Imperial Simmons No. 1 well for which $1,009,009 was paid. The division of interest in this acreage was: Selburn, 40%; George R. Gardiner Ltd. and Walwyn Fisher & Co., 25%; Garrison Oils, 12.5%; Pacific Petroleums, 10%; Polaris and others 12.5%.

Selburn Oils was sponsored by Melady Sellers & Co. of Winnipeg (a partner is president) with two other backers: Burns Bros. & Denton and Midland Securities, of Toronto and London, Ontario, respectively.

When details are finalized, this company is expected to have $675,000 of 5% 1-10-year debentures issued. Authorized common-share structure will be a million shares. It is expected that the purchaser of a $1,000 debenture at par will be permitted to make the purchase of 500 common shares at 10c a share.

Besides its 40% interest in the southeast quarter of 34, Selburn also has a 25% intereest in a quarter section cornering the B. A. Oil-Michel quarter in northwest Redwater.

George R. Gardiner Ltd. and Walwyn Fisher & Co., Toronto, are incorporating a new company, to be known as Garnet Oils Ltd., to take over their 25% interest in the $1,009,009 purchase. This will be another debenture and common-stock issue with $250,000 of debentures planned.

Garrison Oils, a participant in the same purchase, is also sponsored by the Walwyn-Fisher group, has raised substantial sums for Redwater developments in the past year. The company purchased royalty interests ranging from 1% to 10% in 22 producing wells of Universal Development Co. issuing 500,000 common shares for these and other interests. An additional 500,000 shares have been sold to net the treasury $1 a share. After allowing for purchase of a 12.5% interest in the southeast quarter of section 34 and a 3% interest in three quarter sections purchased at the latest auction by Pacific Petroleums, Garrison still retains about $340,-000 in its treasury. Other interests are stated to include a participation in an Imperial Oil farm-out in the Redwater region.

Calvan Plans Debentures

Further Eastern Canada money will come into the Redwater oil picture very shortly, it appears. An issue of about $1.5 millions of convertible debentures is expected to be announced very shortly by McLeod, Young, Weir & Co. This may break in about two weeks time.

Dome Exploration (Western) Ltd. has been formed by Dome Mines and associates to get into western oil. A registration statement has been filed with the Securities & Exchange Commission at Washington covering the issue of $10 millions, Canadian funds, of notes and 249,993 shares of capital stock of $1 par which it is expected will realize $10,249,-993. The notes will bear interest at the rate of 1% per annum to Feb. 1, 1951, 2% for the ensuing year and 3% thereafter. The company has not yet acquired acreage but plans bidding for ground in the Redwater-Simmons and Stettler areas. In a newly issued prospectus it is stated that if the company is unsuccessful in bidding for acreage at public auction, such leaseholds may be acquired from present owners.

Dome Mines plans to purchase $2.5 millions of Dome Exploration (Western) notes and 62,493 shares of capital stock.

Subscriptions must be in the ratio of $10,000 of notes and 225 shares of capital stock, the prospectus declares; with "possibly a few exceptions" the company plans to refuse subscriptions for less than $25,000.

Eastern Canada interests will likely have a large indirect and direct interest in Dome Exploration (Western) but the chief interest will probably be U. S.

The bond-debenture plus common stock method of financing big money Redwater developments has caught on with rapidity. Lease 64 Ltd. was the company which first brought this method of financing to general public attention at Redwater although Alton Oils (Tanner & Co., Cochran Murray & Co.) was the first instance of this method of financing being used.

Lease 64 Ltd., sponsored by Tanner & Co., Cochran Murray & Co. and Greenshields & Co., acquired a quarter section at Redwater which B. A. Oil undertook to drill out. Lease 64 Ltd. is designed to have $918,662 of 4% redeemable bonds and 105,645 shares outstanding. The amount of bonds approximates the amount of cash paid to the Crown for oil rights on the quarter section. Price basis for this financing (subject to completion of all details) is $1,000 per unit comprising $1,000 of bonds for $900 and 100 shares at $1 a share, it is understood.

Michel Oils, a more recent organization, sponsored by Melady Sellers of Winnipeg and Burns Bros. & Denton has completed a deal with B. A. Oil for development of its quarter with a first well showing a 1,332 bbl. daily initial potential and second well testing. B. A. Oil provides the full cost of development, shares in net production on basis of participation in expenditure on over-all project. Michel Oils is capitalized at slightly over $700,-000 of debentures with units comprising a $1,000 debenture and 100 shares of stock reported bearing a price tag of $1,050.

Because new financing involves "notes," "bonds" and "debentures," the gamble in drilling for oil has obviously not been eliminated. But the regularity of the Redwater-Simmons structure has been such to date that the "misses" have been few and far between. Productivity of acreage has been such that in some instances, the ultimate payoff at some locations can conceivably be extremely handsome.

Prospects are that bidding for acreage in the Simmons-Redwater section in succeeding auctions may be as great or greater than ever. Anglo-Canadian Oil Co., Dome and Home Oil, three prospective customers, did not report any significant purchases at the latest auctions. Anglo-Canadian has just raised $4 millions from an issue of convertible debentures — a good part of it from Eastern Canada — will likely be an agressive bidder at further auctions.

Financial circles in Toronto believe that if current new financing "pays off," there will be practically no limit to the Eastern Canada funds which would be available for western financing.

Holders Withdraw Application For Audit of Nat. Sewer Pipe

The application, made last December, by certain shareholders of National Sewer Pipe Co., seeking an independent audit of the company's books is being withdrawn following discussions with Provincial Secretary G. A. Welsh, The Financial Post is informed.

Mr. New is understood to have demanded that the application be withdrawn prior to his advancing the required information Provincial Secretary Welsh relayed this "demand" to shareholders and asked them to comply. The application can be made again if Mr. New does not supply the information.

Class A shareholders Protective Committee hopes to obtain all the information it is seeking directly from President Ryland H. New and that the independent audit will not be necessary.

The original decision to apply for an audit followed the stormy 3½ hour annual meeting of the company early in December. At that time the Class A Shareholders Protective Committee thought that, if it got an independent audit of the company's books it would be better able to judge the company's position, The Post understood.

The application was made under section 4 (2) of the Companies Information Act of Ontario which provides as follows:

2 (a) "The Provincial Secretary may, upon the application of any 10 shareholders, each of whom has been a shareholder for not less than six months immediately preceding the date of the application, or upon the application of more than one-third of the total number of shareholders, appoint an accountant to audit the books of the company and to report thereon";

This section of the Act is rarely invoked.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FORANO LTD. shows a net profit of $15,963 for the year ended Nov. 30, 1949, off 52.42% from the previous year's $33,552.

The auditors state $60,596 was transferred from capital surplus to reserve for depreciation. This represents for the year the amortization of the over-value given to fixed assets in the appraisal made in 1947.

INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Sales	$2,392,737	$2,328,695
Net earnings	121,645	118,877
Less: Depreciation	57,601	34,755
Interest	41,045	31,051
Inc. & EP tax	7,036	19,519
Net profit	15,963	33,552
Less: Pref. divds.	18	......
Surplus for year	15,945	33,552
Earnings per Share:		
Preferred	$23.13	......
Common	1.99	$4.19

CONDENSED BALANCE SHEET

As at Nov. 30:	1949	1948
Cash	$6,340	$12,391
Accts. rec.	457,275	511,979
Inventories	615,928	480,188
Total curr. assets	1,079,543	1,004,558
Misc. assets▲	§4,843	§15,644
Fixed assets*	928,191	926,539
Total assets	2,012,577	1,946,741
Bank loan (sec.)	425,000	375,000
Accts., etc., pay.	151,008	244,037
Total curr. liabs.	576,008	619,037
Long term loan	137,750	140,450
Funded debt	475,000	303,000
Capital stock	106,900	100,000
Capital surplus	647,863	■708,460
Earned surplus	69,056	75,794
▲Incl. ref. EPT	2,519	5,421
*After deprec. of	720,057	604,124

§Included in curr. assets in co's report.
■Arising in revaluation of fixed assets in 1947.

Working capital	503,535	385,521

JOURNAL PUBLISHING CO. OF OTTAWA LTD. reports a net profit of $120,557 for 1949, a drop of 27.9% from the 1948 net of $167,415.

Working capital at Dec. 31, 1949 was $515,799 as against $583,817 Dec. 31, 1948.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$217,684	$254,917
Less: Deprec.	29,069	......
Taxes	68,058	87,502
Net profit	120,557	167,415
Less: Dividends	80,000	77,000
Surplus for year	40,557	90,415
Earnings per Share and Dividend Record:		
Common	$1.21	$1.67
Paid	0.80	0.77

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$106,647	$38,925
Accts. rec.	163,216	151,548
Invest.*	405,915	576,553
Inventories	25,957	14,349
Total curr. assets	701,735	781,375
Misc. assets▲	217,009	190,446
Fixed assets†	463,619	357,670
Total assets	1,382,363	1,329,491
Total curr. liab.	185,936	197,558
Invest. cont. res.	108,394	108,394
Capital stock	300,000	300,000
Surplus	788,033	723,539
†After depr. of	422,483	392,744
*Market value	398,000	600,000
▲Incl. ref. EPT	16,431	22,833
Working capital	515,799	583,817

EDWARD LIPSETT LTD. shows a consolidated net loss of $24,980 for the year ended Nov. 30, 1949, compared with a net profit of $72,-025 for the preceding year.

Sales prospects for canned salmon did not appear bright in early 1949 by reason of dollar shortages and a big carryover from 1948. This led the fishing industry to exercise caution in its purchases of gear and supplies, thus affecting the company's sales adversely. Sales fell from $3,156,000 to $2,871,000.

Certain slow-moving lines of goods, not normally stocked by the company but which were added during the war, were written down by over $63,000 to make them move faster. A large part of these items have been sold, thus freeing cash for concentration on the regular lines of merchandise.

Due to curtailed buying in 1949, demand for the company's products appears to be exceptionally heavy this year. Already, orders on the books exceed those of any previous year, W. E. Drake, managing director, states.

CONSOLIDATED INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Net earnings	$24,342	$173,607
Less: Deprec.	18,069	20,102
Bond int.	14,982	16,577
Other int. (net)	21,617	20,903
Prov. for taxes	*5,436	44,000
Net profit	♦24,890	72,025
Less: Cl. A divd.	10,000	10,000
Surplus for year	♦34,890	62,025

*Tax credit.
♦Loss or deficit.

Earnings per Share and Dividend Record:		
Class A	d$2.49	$7.20
Paid	1.00	1.00
Class B	d2.36	4.19
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1949	1948
Cash	$1,831	$2,212
Accts., rec., less res.	296,113	366,098
Inventories	1,178,482	1,245,533
Total curr. assets	1,476,426	1,613,843
Prep. ins.§	......	433
Consign. stocks	521,194	212,051
Def. charges▲	17,260	44,305
Fixed assets*	235,889	249,624
Total assets	2,250,769	2,120,256
Bk. loan & overdraft	339,371	335,718
Accts., etc., pay.	224,887	337,280
Total curr. liabs.	564,258	672,998
Consign. stocks	521,194	212,051
Funded debt	295,000	330,000
Capital stock	496,000	496,000
Capital surplus	105,584	105,584
Earned surplus	268,733	303,623
▲Incl. ref. EPT	3,674	25,765
*After depr. of	264,340	246,955

§Incl. in curr. assets in co's report.

Working capital	912,168	940,845

Consumers' Gas Co. . . Output Increases 5%

Gross output of The Consumers' Gas Co. of Toronto reached an all-time peak on Feb. 20 at 34,560,000 cu. ft. of gas. Previous peak was 32,512,000 cu. ft. on Jan. 30, 1948. Sales of gas for the first 21 days of February were 8% above the corresponding days of last year and output for fiscal year which started Oct. 1 has been 5% above previous year.

Man. Power Comm. Jan. Use Up 46%

Power purchased and generated by Manitoba Power Commission during January was 46% over the same month a year ago, General Manager W. D. Fallis states.

The unprecedented number of farms connected during the latter part of 1949 was the principal factor in the increase from 15,-969,136 kwh generated in January, 1949, to the 23,418,856 kwh for January of this year.

U.K. Engineering Firms Set Up Canadian Agency

Three British engineering firms are represented in a newly-formed Canadian company, Britenco Ltd., of Montreal. The firm will handle British power transmission machinery and it's expected other British firms will join the founding group in the Canadian operation.

The three companies concerned are: Crofts (Engineers) Ltd., and its two wholly owned subsidiaries, H. Bramer & Co. Ltd., and Carter Gears Ltd. Arthur Croft, president of Crofts is president of Britenco, operating directors are W. H. Gilbert, formerly of R. & M. Bearings Ltd., Montreal and Thomas Arnold, vice-president, Manitoba Steel Foundries Ltd.

New Plastics Industry Sets Up in Ontario

A new plastics industry, backed by U. S. and Canadian capital, has been established at Perth, Ont. Name of the new company is Hi-Lustre Ltd., incorporated under provincial charter for the processing of plastic and other small parts with metallized coating.

The factory will be a finishing plant exclusively to serve the needs of already-established manufacturers. Production is expected to begin early in April.

President of the new company is Terry H. Winslow, formerly associated with Bowater's Newfoundland Pulp & Paper Mills, Newfoundland, and associated interests.

B-A Pipeline For Redwater

Construction will commence this summer on a crude oil pipeline from the Redwater oil field to Edmonton, Alta., British American Oil Co. announces. The new line, to be completed before end of 1950, will have a daily capacity of 10,000 bbls.

The pipeline will connect with B-A's present gathering system to provide direct pipeline transportation from Redwater wells to the new B-A refinery in Edmonton which will be completed early in 1951. Facilities will be provided at Edmonton for loading oil into tank cars for shipment to the B-A refinery at Calgary.

B-A is presently providing Redwater producers, other than itself, with a market for more than 5,000 bbls., per day of Redwater crude. Of the company's crude oil purchases in the Redwater field, approximately 10% is oil owned by B-A. Through its transportation subsidiary, B-A Alberta Pipe Line Ltd., B-A now operates an oil gathering system and tank car loading facilities which serve approximately 100 oil wells in the Redwater field.

T. H. ESTABROOKS CO. A total of 50,291 preferred shares were outstanding on Feb. 20. There are 149,-494 shares of $100 par value stock and 2,535,685 shares of $5 par value stock now outstanding.

Government and Corporation Securities

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We're Not Doing So Badly

Mr. St. Laurent's sane appraisal of the unemployment picture will meet with the approval of most thinking Canadians. While not attempting to minimize the seriousness of having 370,000 persons officially listed as looking for work the Prime Minister told Parliament bluntly that this could not be regarded as abnormal, under present conditions, and did not justify any panic expenditures on public works.

As Mr. St. Laurent pointed out winter has always been the season of greatest unemployment in Canada, and this winter has been exceptionally unfavorable. Bush work, which normally is the biggest seasonal employer from November to March was hit seriously by too much cold and snow in Western Canada, too little of both during most of the season in Eastern Canada.

And that piece of national bad luck came at a time when the whole world was suffering from the shock of currency devaluation and postwar trade problems were still unsolved.

Under the circumstances some slackness was bound to occur in Canada after the greatest war in history and we should be congratulating ourselves that we have escaped as well as we have. Mr. St. Laurent summed it up this way:

"No argument or apology is necessary for the fact that the Government viewed with considerable misgivings and concern the possible disruption of the economy as a whole, and the individual lives of so many of our citizens. Precautionary steps were taken on an extensive scale. The Government made generous and comprehensive provision for our veterans, and incidentally have provided thereby through provisions made for veterans, through unemployment insurance, family allowances, and the increase in old age pensions, for a wide distribution of purchasing power in Canada.

"At the same time our assistance in providing relief and rebuilding the western European economy, which is admittedly of such vital importance to us, far exceeded on a proportionate basis even the generous efforts of our great southern neighbor. War plants were reconverted. The labor force found new employment in satisfying the war-deferred demands of our civilian economy. The shift was made from a war to a peace basis with an expanding level of production, employment, income and general well-being, and with an almost unbelievable minimum of friction and discomfort. We have no regrets that some of the emergency measures which were prepared to meet possible distress were found unnecessary.

"Nevertheless, the recent growth in unemployment is now a matter of serious concern. It would not have been surprising if this had occurred before or even if it had been more extensive. When we consider the terrible destruction of the war, the disruption of normal trade and exchange and the breakdown of the complex system in many parts of the world, I think it is really extraordinary that Canada has been able to maintain such an exceptionally favorable position for so long."

Shouting calamity will certainly not help us at this time and neither will some splurge on ill-planned public works. As the Prime Minister did well to point out, the girl who has lost her job in a textile plant won't get much benefit from the building of a sewer or a highway.

She and others like her can only get work for which they are suited through steady, general recovery, with all industry moving forward. That is the goal we must keep in mind and we can achieve it if we keep our heads. Above all there must be the greatest possible encouragement for the investment of new capital for only in that way is there hope of more permanent employment, more national development, more prosperity for all. Panic measures and panic thinking at this time will only aggravate the situation. They cannot cure it.

Why Play With Moscow?

In dealing with unemployed delegations, public officials should realize one important fact: most of the existing jobless organizations were started and are being run by the Communists. The organization recently set up by the CCL to counteract the Reds is not yet functioning.

Meanwhile these ideological wolves in sheep's clothing are calling on provincial premiers, mayors and local municipal officials demanding cash relief and public works. It is part of an organized campaign to foment unrest by magnifying and exploiting misfortune.

Last week, a group calling itself the Toronto Union of Unemployed Workers, called on Ontario's Premier Frost. He readily gave them two hours of an extremely busy day, listened courteously to what they had to say.

But neither Premier Frost nor anyone else gave any public indication that this was a Communist-led organization and that they knew what it really was. And there was no valid reason for them not knowing: this particular group had been thoroughly exposed earlier.

Whether he realizes it or not, the Communists used Premier Frost. Maybe it isn't politically smart to take a crack at any unemployed group, even when it's run by Communists. But without being less polite or sympathetic or concerned, public men, when they know what the score is, should not let themselves be placed in the position of what in effect, amounts to co-operating with the Reds.

If people who know what the Communists are up to don't speak out, how can we possibly have an informed public opinion? How can the average man begin to properly assess the legitimacy or otherwise of such hollow groups as these unemployed organizations?

Let's never forget this: the only reason the Stalinists get in an organization or behind a popular movement is to use it to further the ends of Moscow. The only one sure antidote is constant exposure. That's one thing the Communists can't stand.

A Future For Arctic Farming

While we haven't done as much boasting as our neighbors on the other side of the Pole, there has been considerable progress here in developing Arctic agriculture.

Recently officials of the Federal experimental farms service reported that hardy grains and vegetables had been harvested at several points in the Yukon and the Northwest Territories. Poultry and livestock is being successfully raised beyond the Arctic Circle.

No qualified observer ever expects that the far north will ever become first-class farm country. Because of extreme cold and none-too-favorable soils, costs will always be far higher for most lines than farther south.

But as the mineral and other resources of that area attract more population there will come an opportunity for limited local food production which will be able to compete successfully with expensively transported outside supplies.

On this account the present Arctic experiment is not a mere scientific stunt but real and important research.

Sweetbriar Points the Way

The once prevalent idea that any troops can be taught quickly to fight in the Arctic must be abandoned. That's the conclusion of Hanson Baldwin, the New York Times' outstanding military critic, just back from Exercise Sweetbriar.

That's something that the military authorities of both Canada and the United States must keep in mind. If the present uneasy peace is broken most of the far northern defense will depend upon the forces these two countries can put in the field.

Mr. Baldwin found that in the air operations showed good efficiency, with remaining problems well on the way toward being solved. But on the ground, conditions were not nearly as satisfactory and particularly as carried out by the American forces in the recent Yukon-Alaska manoeuvres.

On the 38-foot front of the Alaska highway the ground troops were able to operate fairly freely but when it came to cross country, says Mr. Baldwin, vehicles and men bogged down in the heavy snow and rough terrain and both suffered from the extreme cold.

This American critic was doubtful whether any country would be able to maintain big ground forces in the field beyond the Arctic Circle. In that bleak area, he thinks, it will be difficult for the average infantryman to keep himself alive, let alone fight. This business, he thinks, calls for small, highly trained units of not much more than battalion or regimental size which must be able to co-operate very closely with air forces.

That conclusion would seem to fit in well with the more modern Canadian military thinking but not with that of the big army school. More and more the evidence points to Canada playing the role of specialist in North Atlantic defense.

With our relatively small population it would be impossible to put great masses of men in the field or a big completely balanced navy or air fleet. But in highly specialized forces, trained to operate in the Far North we could make a most significant contribution.

A Lesson For Canada

Because the Argentine is a competitor of Canada and in some respects has a similar economy, Canadians can profit from studying the problems of that leading South American republic.

Biggest headache right now is the result of colossal blunders by the handful of favored politicians who have taken over control of the country's main production.

Excerpt of an American Embassy report, just made public by the U. S. National Foreign Trade Council, says that drastic changes in Argentine Government planning will be necessary if the country is to get out of its present predicament. The reports forecast a serious drop in over-all Argentine foreign exchange earnings this year as a result of sharp decreases in agricultural and other production of exportable commodities.

Most effective correction, states the report, would be a complete revision and simplification of present complex exchange rates and above all the freeing of commerce from the control of the Argentine Trade Promotion Bureau, a state trading monopoly.

Both industrial and agricultural costs have been greatly increased by heavy social security charges, repeated wage increases not matched by higher productivity and rising taxes.

"This burden," points out the report, "becomes more and more difficult to support as the terms of trade move back to normal."

The Argentine, of course, present an extreme case of the perils of state monopoly, but the difficulties faced by that country in trying to adjust an inflated domestic economy to its vital export trade point a warning to Canada. Here too we are facing similar difficulties, which cannot be eased but could be aggravated by a domestic price structure out of line with that which the world is prepared to pay.

Easy on Municipal Spending

All across Canada municipal taxpayers are receiving bad news. Expenditures are going up and so are tax rates. In the last 10 years as a recent survey in The Financial Post revealed, municipal expenditures have jumped almost 60% with a 40% gain since 1945 alone. And after a substantial period of steady decline, municipal debt is on the way up too, thus also adding to the burden of the taxpayer.

Members of municipal councils—who are supposed to protect and watch the interests of the municipal taxpayers—should watch these trends closely. This is not the time to see how much money they can spend or what new projects they can start. There are few bargains indeed offered the municipal shopper in the present market.

M. A. Patterson, Minister of Municipal Affairs for Nova Scotia, sounds a timely note of caution in the foreword to his departments "Annual Report of Municipal Statistics for 1948." He says:

"Municipal governments should guard against the temptations and the pressure offered by current high revenues and relatively low interest rates and not be led to the unwarranted use of their reserves or the imposition of debt retirement charges in future years. The 'pay as you go' principle is, as ever, the sound basis for municipal government finance.

"If a municipal government is not in a position to pay the entire cost of improvements out of the revenues of the year in which the improvement is made, it should, in any event, make a substantial payment on account for all its capital undertakings and further provide for the payment of the balance in reducing amounts and provide for the entire retirement of the issue well within the useful life of the asset financed.

"The need for careful and adequate community planning was never more apparent. Not only should we have a plan for the future physical development of the community but it is essential to also have a definite long-range financial plan so that all desired projects and improvements can be timed and undertaken as a part of an organized program."

Napier Moore's Scratch Pad

BY THE MAGIC of the flying-machine during the seven days of last week we spent comfortable periods of time in Tulsa, Oklahoma City, Dallas, Fort Worth and New Orleans.

In Oklahoma, Texas and Louisiana everybody we met—and we met a lot of people—showed lively interest in (a) the new oil discoveries in Western Canada, and (b) the British election.

In Texas, before election day, we were present at a large cocktail party. All the guests were discussing the coming vote. Suddenly, and with the utmost naturalness, the hostess proposed a toast "To the success of Winston Churchill and his party." It was greeted with great enthusiasm.

We reached New Orleans on Britain's election night. The incoming results, frequently broadcast by radio, splashed in newspaper headlines, were the main topic of conversation. So it was all day Friday. In the morning, guests in hotel lobbies, businessmen, bankers, storekeepers were telling each other rather sorrowfully that it looked as if the Socialists were back. In the afternoon they were more cheerful over the narrowness of the margin.

Nor was this interest confined to business types. Chambermaids, porters, waiters, taxi-drivers kept asking about the latest returns. We saw a traffic policeman on busy Canal Street hop over to a street corner newsstand to look at the headlines on newly-delivered editions.

We dropped into the editorial rooms of the Times-Picayune. The election was the day's big story. The managing editor called in a reporter, said "Here's an editor from Canada. Get his reactions to the election."

We expressed some surprise at the extent of the interest in the election. He said, "By long tradition the people of the South are pro-British. They have a great affection for Winston Churchill. They haven't forgotten the lift he gave them during the darkest days of the war. And we're anti-Socialist. We're afraid of Socialism; don't like any trend toward it."

• • •

IN NEW ORLEANS Mardi Gras was just over. We said to a taxi-driver, "So you had the Duke and Duchess of Windsor here for the Carnival." He said "Yes." Then he turned, the light of joy upon his countenance, and added "And we had Fibber McGee and Molly."

Incidentally, the Duke and Duchess made a tremendous hit at the final Mardi Gras ball. For weeks the entire population had been agog with speculation as to whether or not the Duchess would curtsey to the King and Queen of the Carnival. The Duchess did; a deep, sweeping curtsey. And the Duke bowed from the waist.

• • •

FRANK O. LARSON is president of the Newspaper Printing Corporation in Tulsa. Jointly owned by the two opposition papers, which are keen rivals on opposite sides of the political and most other fences, this company produces both of them. Talking with Mr. Larson we discovered that he knew a lot about the Canadian West of 40 years ago. In Winnipeg at that time he published a periodical called the Dominion Magazine. He said it gloried in the fact that it existed to boost Western Canada.

• • •

IN THE EXTREMELY beautiful Hall of State in the Dallas, Texas, Fair grounds we came across an odd link with Canada. In a glass case there is Bonnie Prince Charlie's trunk. He left it behind when, to escape the approaching British he fled at midnight from his hideaway in MacKenzie's cottage in Scotland. A later MacKenzie brought the trunk to Canada in 1854, and ultimately, by inheritance, it passed to Stewart Dykman, of Dallas, who gave it to the city.

• • •

ALSO IN DALLAS we were taken by S. J. Hay, president of the Great National Life, to the penthouse atop the Mercantile National Bank Building where the bank's officials have what is equal to a beautifully appointed private club. In one of the swish window drapes a large hole had accidentally been ripped. Pointing to it we said "Tut tut" to a young bank clerk who was acting as our guide. He looked at it, and without batting an eye said, "Texas moth."

• • •

FOR GENERATIONS school children have been told about the crack passenger train which was brought to a stop because an insect had got stuck in an oiling hole causing a hot box.

For a 1950 version we turn to a small city where the Ontario Hydro installed an emergency power unit. The unit is a steam turbine generator purchased, we are told, in Kansas City.

When it was started up, the engineers discovered a bearing was running hot. When the babbitt began to melt the unit was shut down. The babbitt froze around the shaft, jamming it to a stop. But 38 tons of generator armature didn't stop. Like a great flywheel it kept on whizzing; bent the 11 inch diameter shaft.

And the reason for all this was a bit of rag which somehow or other had stuck in an oil pipe.

Stop Me If —

Bride: "I think we should open a new bank account."

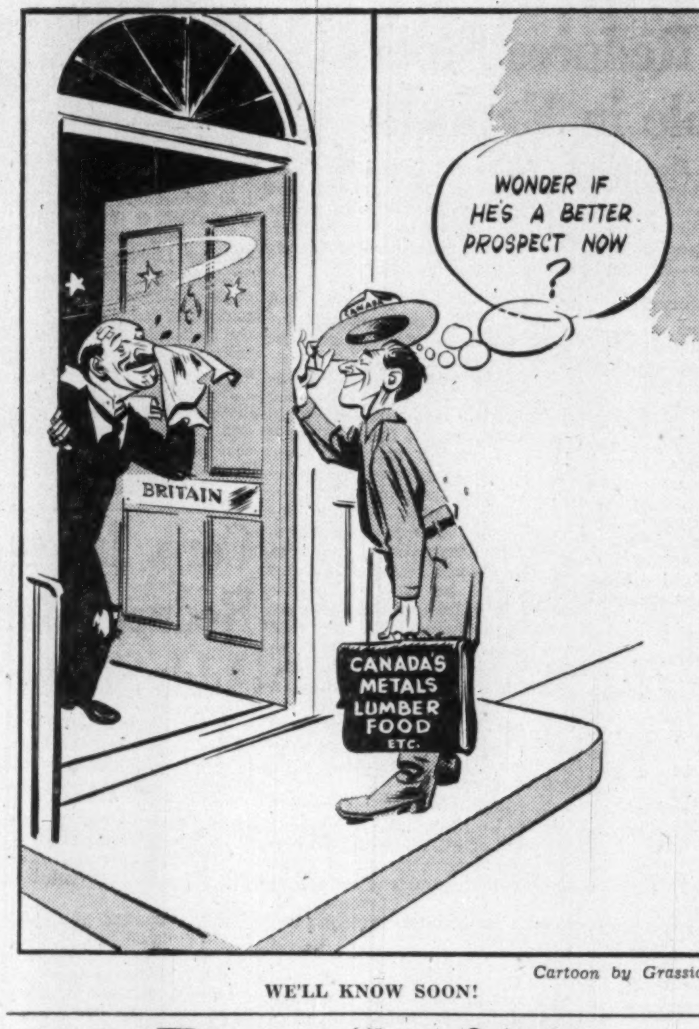
Hubby: "Why?"

Bride: "Our old one doesn't have any more money in it."

• • •

"Well, Mary, now that we've struck oil, I want you to have some decent clothes," Farmer Brown said, handing his wife a big roll of bills.

"Bill Brown, I'll have you know that I've worn decent clothes all my life," Mrs. Brown replied. "Now I'm going to dress like other women."



Cartoon by Grassick.

WE'LL KNOW SOON!

Post Scripts

Traveling Tobacconist

President of Canada's oldest tobacco firm is genial, white-haired Thomas Harold McGuire, Harold to countless sales associates, retailers and jobbers from coast to coast.

MR. McGUIRE

A few weeks ago Harold McGuire was appointed president of the Tuckett Tobacco Company, a firm well known to Canadian smokers dating back to the 1850's and today the third largest in sales volume in the nation's tobacco industry.

Thirty - eight years ago in his native Saint John, N.B., the new Tuckett president began his career in tobacco merchandising as stenographer-clerk in the first warehouse branch Imperial Tobacco Company established outside of the Montreal head office.

Today in Tuckett's head office in Hamilton, the affable Irish-Canadian executive admits that he can still take shorthand notes although he has some trouble in deciphering his symbols. So far as typing is concerned McGuire occasionally uses the machine to rattle off a personal note.

From a business college course Harold McGuire stepped into the sales field with a Canadian milling company. Then he put his stenographic training to practical use with Imperial Tobacco in 1912, and the rapid growth of the Saint John warehouse branch soon elevated him to branch manager.

In 1918 he was transferred to managership of Imperial's Alberta branch at Calgary, going to Winnipeg in 1920 as prairie sales supervisor. Two years later he returned to the company's Montreal headquarters and in 1930 was appointed sales manager.

A year later, McGuire joined Tuckett Tobacco when he was appointed vice-president and elected director in charge of sales. He established residence at Hamilton, the company's head office, but regularly renewed his acquaintanceship with the company's sales officials and representatives, practically all of whom are distinct personalities rather than just names to the new president.

Harold McGuire lists golf and fishing as his chief hobbies. But it is evident that travel should be included even though his successful business career has demanded it. After almost 38 years of "calling" on the towns and cities of Canada—the last 19 years as sales director of a national organization—he is planning his annual coast-to-coast sales tour for this year. The new title of president will not prevent him from calling on his friends and business associates, even though an average day's itinerary includes a full program of staff meetings and calling on the corner tobacco shop.

Harold McGuire married the former Gladys Ashe of Saint John. Each year they return to Saint John for a summer holiday.

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Forty Years an Architect

John Roxborough Smith, elected president of the Royal Architectural Institute of Canada at its recent 43rd annual convention in Winnipeg, has been an architect in Montreal for 40 years. Smith is a short, stocky man of 66 who weighs 162 and is five feet three and a half inches in height. What he lacks in stature, however, he makes up in energy and enthusiasm, particularly for the profession of architecture, which he believes has a mission for rural and urban life such as it has never had before.

Like most architects he is prolific with ideas on how to make pleasing to the eye and at the same time practical, everything produced by the building construction industry. This applies to the whole construction picture from modest homes to commercial and public buildings. Apart from translating his ideas to blueprints in his professional practice, he often expresses them privately in water coloring which is one of his private hobbies.

Scottish born, Smith says he has become a thorough Canadian. While serving his apprenticeship with a firm of architects in Glasgow he studied in the Glasgow School of Art. His father was a newspaperman. His uncle, J. Murray Smith, was at one time publisher of the Glasgow Evening News. The family came to Montreal in 1904. His father joined the staff of the Montreal Herald and he himself got a job as draftsman in an architect's office the day after he landed.

Having made up his mind to be an architect he went back to Scotland in 1913. He went to Paris for a short study course and spent most of the remainder of a year in travel in Switzerland, Italy, Belgium, Holland, Germany, and England. This was the last time he saw the architectural wonders of the Continent, many of which have since been destroyed by two wars.

Returning to Montreal he took the examinations of the Quebec Association of Architects and went into business for himself. Eventually he became a member of the well-known Montreal firm of McDougall, Smith & Fleming, which specializes in hospital construction.

For 29 years he has taught drawing and design in the Montreal Technical Institute.

• • •

Railroader

Thirty-five years ago Stanley F. Dingle was a high school student in Winnipeg and had the sights of his youthful ambition trained on the railway business. When he was 19 he became a railroader and now he has climbed to one of the highest positions in the transportation world, vice-president in charge of operations of the Canadian National Railways. In this new position Dingle will have system jurisdiction over the operating forces of 24,100 miles of this country's national railway system in Canada and the United States.

MR. DINGLE

Dingle at 49 has had 30 years' railway service. He is one of a family of five, four sons and a daughter. His father was a roofing contractor and engineer in Winnipeg. Neither of his parents ever knew why he wanted to be a railroader but both were told many times that was all he wanted and nothing else would do.

When he finished high school he started work in the boys' department of the YMCA. All the time he was angling for a chance in a railway office and, in 1920 when he was 19, he applied and got his first railway job in the engineering branch of the Grand Trunk Pacific Railway which later became part of the Canadian National.

His capacity to make friends, his ability to get along with people, and hard work and ambition, tell the story of his rapid rise. The years always added to his circle of friends. Three years after he took his first railway job he became secretary to the assistant general manager of the Canadian National western region.

From 1942 to 1944 he was division superintendent at Winnipeg. His next promotion was to general superintendent in charge of Alberta, an operating territory with 2,465 miles of line. A little later he left the West to become chief of transportation for Canadian National lines with headquarters in Montreal.

Born in Fort Hancock, New Jersey, young Dingle was brought by his family to Winnipeg when he was two years old. Except for this brief period and the last four years in the East, he has lived in the West

One of his main side interests is rugby. During the 1930's he was a member of the executive of the Winnipeg Blue Bombers and now he is a director of the Montreal Alouette Club, present champions of Canada.

What Others Are Saying

Editorial of the Week

It's Not All Secret

Ottawa Journal

There are things which a government can't shout from the house tops. Not in these days. But many things which a Government thinks must be secret need not be secret at all, and in a democracy shouldn't be. Yet all governments it would seem grow into thinking that the public can't be told, that it can't be trusted with too much knowledge. It is something, apparently, which grows on ministers with power.

To sum up, we would suggest humbly to Mr. St. Laurent that if he really is anxious to get on with Parliament the best course for him is to dispense with a lot of this secrecy nonsense, cultivate frankness wherever possible. This, we feel certain, would compel more co-operation from everybody in the House, and, what is equally important, more of confidence by the country.

Other People's Views

THE BRITISH ELECTION delivered another major setback to the forces of the left, thinks the **Vancouver News-Herald.** "This follows closely the rejection of Socialism by Australia and New Zealand. These defeats were preceded by Socialist losses in the Canadian federal election and the British Columbia provincial elections of 1949 and the Saskatchewan election of 1948. They all add up to the fact that the western world is not ready to cast free enterprise altogether to the winds."

FAR TOO MUCH attention is being given to sensational news of no real significance, says the **Halifax Chronicle-Herald.** "This isn't an overly good world or a particularly happy one. It has, at the same time, much that is good, wholesome and commendable in it. And why the peregrinations of 'film stars' and their bizarre private affairs should receive such prominence in the news, in contrast with the 'starvation diet' upon which the worth and works of real public benefactors are placed, is a proposition to challenge normal intelligence."

TIMES have changed in Saskatchewan. Now a CCF cabinet minister is boasting af a capitalistic achievement—being able to borrow capital more cheaply because of provincial debt reduction. Says the **Regina Leader-Post:** "By his own statement Mr. Fines has repudiated one of the main objectives in the Regina Manifesto, the avowed platform of his party, that 'no CCF government will rest content until it has eradicated capitalism and put into operation the full program of socialized planning.' He has admitted the desirability from the point of view of the province's future development of welcoming risk capital, instead of driving it out of the province. If the Regina Manifesto is dead—which would be the occasion for widespread rejoicing—it should be given a decent public burial. If this were done, Saskatchewan might be able to obtain even cheaper money."

CCF SPLIT in Western Canada over railway policy does not surprise the **Winnipeg Free Press.** "From its very beginning the CCF in Canada has been an artificial, unnatural and brittle combination of opposite interests. It has attempted to weld together in one pressure group the western farmer and the eastern labor union, though the farmer is mainly concerned to secure maximum prices for foodstuffs and minimum prices for manufactures, while the eastern labor union is equally concerned to secure minimum food prices and maximum wages, which mean maximum manufacturing prices.

"The complete schism in the CCF could be disguised during boom times when both farmers and industrial workers were receiving unprecedented rewards for their work. At the first shock of readjustment after the postwar boom the unnatural alliance falls apart. It has fallen completely apart in the present quarrel between the pools and the labor organizations, one of them a CCF affiliate."

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Legalize Lotteries for Charity?

The Question: Official approval is again being sought to legalize charity lotteries and sweepstakes. What is your opinion?

Opinions expressed in replies of correspondents to this week's Financial Post question appear to be equally divided. Those against official approval of lotteries for charitable purposes warn such a move could result in a chain of evils, such as the rise of hard-to-control racketeering and a likely unhealthy effect on the moral fibre of the nation generally.

Those favoring the move see it as a means of benefiting many worthy and needy causes, thereby easing unpopular taxation; point to public approval of awarding automobiles and other valuable items as attendance prizes; cite the $75 millions from Irish Sweeps distributed to hospitals in the last 20 years.

T. D. ANDERSON, General Secretary, Canadian Legion, Ottawa.

The following resolution, passed at the Quebec Dominion Convention of the Canadian Legion, 1946, was reaffirmed at the Saskatoon Dominion Convention in 1948: "That the Dominion Command be requested to petition the Federal Government to amend the Criminal Code to permit service clubs, Legion branches and charitable organizations to conduct bingos and draws under government supervision by permits such as were issued by the War Charities Act of 1939 with the proviso that the restriction of the War Charities Act that not more than 25% is allowed for expense, including cost of prizes, be eliminated."

The Legion constitution requires branches to confine fund-raising activities to local areas and branches are repeatedly advised that such activities must conform to existing laws. The Legion has always taken a firm stand against large, nationwide lotteries.

* * *

R. FRASER ARMSTRONG, Superintendent, Kingston General Hospital.

As president of the Canadian Hospital Council, my publicly stated opinions are tempered by opinions of the council membership. It is my conclusion that the majority of these members view with apprehension the legalizing of charity lotteries and sweepstakes. Many hospital donors are opposed to lotteries. Their support could be lost. General hospitals and sanatoria in Ontario alone require over $40 millions per year. Lottery revenue would be but a drop in the bucket and damaging rackets could develop. Far better to encourage Blue Cross plans now paying hospital accounts to the extent of millions of dollars per year.

* * *

ROLAND BEAUDRY, Member of Parliament for St. James, Montreal.

While legalized sweepstakes and lotteries would appear to be a logical sequence to legalized pari-mutuel why should charity be invoked when six horses turn the trick for private interests? To determine the beginning and end of abuse in the name of charity would require far more stringent legislation and supervision than the average promoter or worker would welcome if his charity begins at home.

It does seem to me, however, that federal, provincial and municipal lotteries where financial control is easier might be legalized with some restrictions limiting the number and frequency of lotteries in given areas and limiting the amount of purchase by any adult.

Under these circumstances legalized lotteries might gain my support but I am wary of the word charity which might be asked to cover too much of a multitude of sins.

* * *

FATHER J. E. BRANCH, Editor Model Publications, Gravelbourg, Sask.

Every financial deal is a gamble often with less chance of returns than a lottery. It should not be difficult to obtain official permission for lotteries from the Federal Government. They are often the biggest gamblers of all with the taxpayers' money.

* * *

LOUIS O. BREITHAUPT, Member of Parliament, Waterloo North.

Generally speaking, I do not favor lotteries or sweepstakes as such. The influence generally is bad on old and young alike and results in reckless financial outlays and bad habit forming practices. If we are to have them, however, for approved charities they should certainly be legalized. Some government department might pass on the charities as is done in the case of those for income tax deduction.

* * *

R. E. G. DAVIS, Executive Director, Canadian Welfare Council, Ottawa.

Charity lotteries and sweepstakes in my opinion should not be legalized. I believe soundest support for health, welfare, educational and religious organizations is one based firmly on individual and corporation responsibility by means of taxes and voluntary contributions.

The argument that present method of financing non-governmental services through voluntary contributions constitutes an excessive burden is not convincing in the face of the fact that the average per capita giving to all of them combined hardly equals four dollars annually. Private enterprise is as valid in welfare as in business. If we want it each must be prepared to pay his fair share in straightforward fashion.

* * *

E. G. HANSELL, Member of Parliament for MacLeod, Vulcan, Alta.

I cannot countenance charity lotteries and sweepstakes under any circumstances. Should these be legalized why not cover the whole field and legalize all forms of gambling, the Government taking their cut for charitable purposes? Under a proper financial policy, which is the responsibility of the Federal Government, there would be no need for such schemes to finance hospitals and other necessary humanitarian services.

* * *

L. E. LEPROHON, Radio Advertising Director, Stevenson & Scott Ltd., Montreal.

A recent article in the Montreal Standard clearly shows the huge benefits Canadian hospitals would realize from legalized sweepstakes. In 20 years of Irish sweepstakes $75 millions have been distributed to Irish hospitals and the Red Cross. Lotteries and sweepstakes are legal in Mexico, Spain, France, Cuba and other countries. Why not Canada? Today more than ever Canadian hospitals and the Red Cross urgently need financial assistance to combat many diseases. This is one way that they can be helped. I certainly approve of legalized lotteries and sweepstakes.

* * *

J. L. MacDOUGALL, Member of Parliament for Vancouver-Burrard.

This is the resolution which I now have on the order paper of the House of Commons. It is now number 12 and should be reached within the next couple of weeks. "That in the opinion of this House, the Government should take into consideration the advisability of amending the Criminal Code so as to allow churches, charitable and war veteran organizations, service clubs and any other body deemed advisable by the provincial governments to hold sweepstakes and lotteries under the jurisdiction of the provincial governments for the purpose of raising funds to carry on community welfare work."

T. C. MacNABB, Canadian representative on Rotary International Board, Saint John, N.B.

Right is always right, wrong always wrong. Laws can make our actions lawful, but cannot make what we do right. The difference is absolute. A good end can not justify a bad course. Folks will gamble but it's still wrong. Lotteries are but veiled theft, taking value for no return. They would add to a shiftlessness in Canada now too general.

Nothing for nothing is still life's law.

* * *

J. A. McCAMUS, President, Canadian Corps Assoc., Dominion Command, Toronto.

I believe I am expressing the opinion of the majority of the members of the Canadian Corps Association in opposing the move to legalize charity lotteries and sweepstakes. While not opposed to games of chance in moderation, we believe the moral fibre of the nation generally would suffer by official approval of wholesale gambling. We suggest that no action should be taken on a subject of such a controversial nature without a referendum and an acceptance of the policy by a decisive majority of the voters.

* * *

REV. DAN McIVOR, Member of Parliament for Fort William.

I am against sweepstakes and lotteries for the following reasons:

If the church is doing its job, people will give for the love of it. If for charity, the best kind of support is straight giving. Duplex envelope is a better way.

Lotteries and sweepstakes are morally wrong. The commandment is "Thou shalt not covet." When one buys a sweepstake ticket, he wants more than his share.

It is bad business. Buying sweepstakes to take a chance in a million is poor business.

When Christ found certain money-making schemes in the temple, He said: "Take these things hence. My house is to be a house of prayer."

* * *

COL. SIDNEY C. OLAND, President, Oland and Son, Halifax.

I can see nothing wrong with the idea of lotteries or sweepstakes for charitable purposes as long as the tickets are not too expensive. After all, pari-mutuel betting on horse racing is legal in Canada. In the Old Country and the United States betting on horse races has been a custom from time immemorial. Most people like to make a small wager and where the cause is for charity it strikes me as being a very painless method of collecting money for that purpose.

* * *

R. F. OSBORNE, First Vice-President, Amateur Athletic Union of Canada, Vancouver.

Legalization would be consistent with present policies concerning betting at the race tracks. Considerable sums of money are presently expended in Canada on lottery projects over which neither Federal nor Provincial Governments have control. I feel that a well-controlled plan should do no harm to public morals in Canada and could be a real benefit. Schemes involving awarding of automobiles and other valuable items as attendance prizes are not uncommon today and indeed seem to meet with pronounced public approval. Therefore the principle is in effect endorsed. All that is necessary is to provide for proper controls through provincial governments.

* * *

CLAUDE ROOT, President, Association of Canadian Better Business Bureau Inc.

While many Canadians are susceptible to "something-for-nothing" appeal I consider the step to legalize lotteries definitely retrograde. The public would be tempted to subscribe irrespective of merits of solicitation. Business and deserving charitable causes would suffer from the drain on public savings. Individual incentive would suffer from misconception of honest rewards for labor. Impaired morale of consistent non-winners would encourage "doubling-up" as in all gambling. Lower income brackets would contribute disproportionately. An epidemic of sweepstakes would also be impossible to supervise or regulate and corrupt racketeers would be the chief beneficiaries from commissions and misappropriation. The country's leaders would provide an unworthy, immoral and undignified example to citizens. As a method of financing it would be unethical, expensive and basically unsound. I believe the move incompatible with interests of Canadian public or ideals of legitimate enterprise.

* * *

A. J. WICKENS, K.C., Dominion President, Army, Navy and Air Force Veterans, of Canada, Moose Jaw.

I strongly endorse the move to obtain sanction for regulated charity lotteries and even government lotteries for revenue purposes. Many worthy and needy causes would benefit and unpopular taxation could be eased. Legalizing and regulating lotteries would assure fair and economical administration which might not always necessarily be present in an unauthorized one. Charity lotteries are already legal up to $50. The principle is the same whatever the amount of the prize. Is not life a gamble anyway and is not the desire to take a reasonable chance inherent in all of us would we but admit it?

CHARLES W. CASSELS

general manager of N. Slater Co., Hamilton, has been appointed vice-president and general manager.

These Debentures having been sold, this advertisement appears as a matter of record only.

New Issue

$2,000,000

Kelvinator of Canada Limited

Debentures

To be dated March 1, 1950

$1,000,000 3% Serial Debentures to mature $100,000 March 1 in each of the years 1951 to 1960 inclusive

$1,000,000 3½% Sinking Fund Debentures to mature March 1, 1965

In the opinion of Counsel, the Debentures of this issue will be investments in which The Canadian and British Insurance Companies Act, 1932, as amended, states that companies registered under it may invest their funds.

A copy of the prospectus will be furnished promptly upon request.

We, as principals, offered the Sinking Fund Debentures (the Serial Debentures not being available for public sale) if, as and when issued by Kelvinator of Canada Limited and accepted by us and subject to the approval of all legal matters in connection with this issue by Messrs. Blake, Anglin, Osler & Cassels.

Price:

Sinking Fund Debentures: 100 and accrued interest

It is expected that interim Debentures of the Company in bearer form only, later exchangeable for definitive Debentures, will be available for delivery in Toronto and Montreal on or about March 1, 1950.

A. E. Ames & Co.
Limited

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOMINION TAR & CHEMICAL CO. LTD. shows net profit of $1,811,216 for 1949, down 17.18% from the 1948 net of $2,186,950. Operations of the various divisions were well maintained. The new salt plant at Unity, Sask. commenced operations in June and has performed "satisfactorily," A. O. Ponder, president, stated. The chlorine and caustic soda plant at Beauharnois, Que. was brought into production.

Expenditure of $3,298,462 on capital account completed the present expansion program and no major capital expenditures are planned for 1950.

Principal investment in shares of other companies was disposed of at cost. General reserve was increased by $375,000 to $1,500,000, by the transfer of that amount from Provision for Income Taxes where it is no longer required.

Depreciation was $1,250,000. Full advantage was taken of the new rates allowed for tax purposes, the president stated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$4,821,322	$5,470,806
Less: Deprec.	1,250,000	1,250,000
Bond int.	75,106	83,856
Invent. res.	......	100,000
Income tax	1,685,000	1,850,000
Net profit	1,811,216	2,186,950
Less: Pref. divds.	300,000	300,000
Com. divds.	442,000	442,000
Surplus for year	1,069,2[illegible]	1,444,950
Times Bond Interest Earned:		
Before deprec.	64.19	65.24
After deprec.	47.55	50.33
Earnings per Share and Dividend Record:		
Preferred	$6.04	$7.29
Paid	1.00	1.00
Common	3.42	4.27
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$817,501	$630,304
Call loan	400,000	500,000
Accts., etc., rec.	2,912,610	2,818,822
Inventories	2,872,146	3,062,493
Total curr. assets	7,002,257	7,011,619
Prep. exp.§	144,543	214,521
Misc. assets▲	182,231	1,291,141
Fixed assets*	13,181,916	11,133,453
Total assets	20,510,947	19,650,734
Accts. & tax. pay.	2,902,639	3,232,999
Other curr. liab.	214,651	218,294
Total curr. liab.	3,117,290	3,451,293
General res.	1,500,000	1,125,000
Funded debt	2,000,000	2,250,000
Capital stock	9,293,863	9,293,863
Surplus	4,599,794	3,530,578
*After depr. of	7,859,210	6,609,610
▲Incl. ref. EPT	182,231	298,051
§Incl. in curr. assets in co's report.		
Working capital	3,884,967	3,560,326

FLEURY-BISSEL LTD. sustained a net loss of $97,043 for the year ended Oct. 31, 1949, compared with a net profit of $69,268 for the preceding year. Total sales were slightly higher but the severe drought in Ontario in the summer and fall affected its business (tillage implements) materially and, since then, uncertainty regarding farm markets and prices have aggravated this situation, E. R. Deeks, president, stated. A lower scale of operations is planned for this year.

INCOME ACCOUNT

As at Oct. 31:	1949	1948
Net oper. prof.	■$112,580	$128,092
Less: Deprec.	18,938	16,519
Income taxes	*34,475	42,305
Net profit	■97,043	69,268
Less: Pref. divds.	6,944	13,888
Surplus for year	■103,987	55,380
*Credit.		
■Loss or deficit.		
Earnings per Share and Dividend Record:		
Pref.: Earned	d$6.99	$4.99
Paid	0.50	1.00
Com.: Earned	d6.73	3.36
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$550	$4,040
Accts. rec.	232,636	146,989
Inventories	328,946	486,203
Total curr. assets	562,132	637,232
Prep. exp.§	8,113	10,441
Misc. assets	14,173	8,632
Fixed assets†	217,287	205,798
Total assets	801,705	862,103
Bank loans	238,105	281,196
Accts., tax, etc., pay.	119,645	148,442
Total curr. liab.	357,750	429,638
Ind. dev. bk. loan	115,477	......
Capital stock	346,906	346,906
Earned surplus	■18,428	85,559
†After depr. of	184,358	167,224
§Incl. in curr. assets in co's report.		
■Deficit.		
Working capital	204,382	207,394

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Few farm magazines receive such a tremendous volume of mail as the Family Herald and Weekly Star. Perhaps that's because of the close, personal bond between the Family Herald and its readers . . . Perhaps it is because these readers have always found the Family Herald a ready source of information and assistance . . . But, whatever the reasons, the fact remains that the Editorial Department of the Family Herald received over 200,000 letters during 1949 — letters on farm mechanics, home-making and needlecraft — letters containing questions ranging from medical and legal problems, to old songs, nature studies, coins and stamps. And they're post-marked from every corner of rural Canada from housewives, seasoned farmers and 'teen-agers!

Here indeed, is another indication of the reader interest and reader confidence which the Family Herald enjoys in such large measure throughout rural Canada . . . These are **intangible** assets but they pay-off in **tangible** results for every advertiser.

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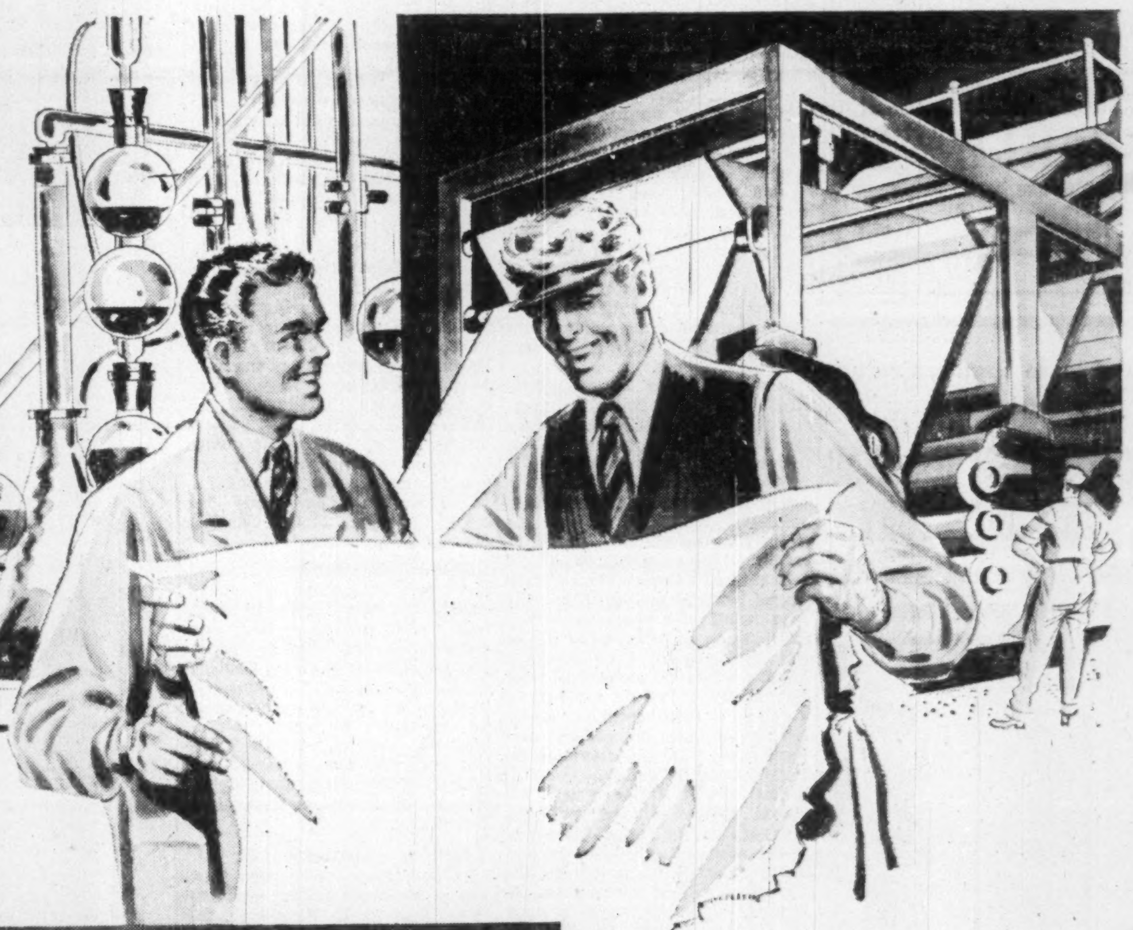

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How 'Special Situations' Affect Stocks

Market Action to Date in '50 Shows Some Major Advances

By W. L. DACK

So far 1950 has all the earmarks of a professional market, where broad swings are lacking with no individual group favored, but where stock after stock, for a variety of "very special" reasons is "breaking away from the pack."

Such conditions are as close as a stock market can ever come to being normal. The trader's success in staying on the right side of the ledger in such a tight market depends on his ability to ferret out these special reasons before or as they develop.

To a professional trader low daily turnover in a particular stock enhances the potentialities of an attractive situation.

When volume mounts sharply, his special knowledge is no longer special and the move then is probably in its latter stages or is being carried forward so quickly that a sharp market correction becomes inevitable. But many of the less popular stocks are able to maintain a long upward trend without attracting heavy speculative interest, for the simple reason that they don't trade often. They are overlooked.

The Financial Post lists in an accompanying table 23 industrial stocks which are among those showing the best price gains so far in 1950.

None is blue chip class and trading volume has been light. At least half the stocks have moved forward because of special situations which have considerably improved the earnings and dividend outlook. At least three represent small, comparatively young companies where the earnings trend is upward and the intermediate outlook good. In most of the remaining cases, price improvement reflects better earnings trend after a period of adverse operations.

From now on, increasingly competitive business conditions will pose a stiffer challenge for market traders. Stock holdings will have to be reviewed often in the light of interim earnings, dividend changes, export and competitive situations and management status.

Above all a sharp eye will have to be kept on the dark horses coming up fast on the outside.

Here are individual reports on some of the "special situations":

De Havilland Aircraft of Canada's "A" stock has been one of the top performers in 1950 with a price mark-up of 75%. For the current year, attractive orders are piling up for both the Chipmunk and Beaver—the company's two Canadian - developed aircraft. Difficult postwar reconversion corner was rounded in latest fiscal year ended Sept. 30, 1949 when company got back into the profit bracket. Some $1.5 million in plane development charges have been written off and the surplus position is equal to about $30 a share on small outstanding capitalization of 32,000 "A" and 10,000 "B" shares.

One big factor in company's outlook is likely government order for 40 or 50 Chipmunks for the RCAF. Planes would be distributed to Canadian flying clubs, subject to recall by RCAF in event of emergency. Significant point—it virtually makes the Chipmunk the official elementary training plane for the RCAF.

Brantford Cordage Co. common shares have been bid up sharply as a result of a special situation culminating in payment of a special dividend of $2.25 a share. Market price of stock has been further bolstered by a plan for capital reorganization which would eliminate the present preferred and subdivide common into "A" and "B" shares.

The special dividend was declared in compliance with the view of Dept. of National Revenue under section 9 (6) of the Income Tax Act on undistributed surplus. (Previous rate on common was 50c annually). Under approved capital change, common shareholders will receive three-quarters of a class A and one class B share for each common now held (tentative value of new class A now set at $11.75 a share.) The new class A shares will carry a fixed preferential, cumulative cash dividend of $1 per share annually and will be convertible into class B on a share-for-share basis.

Montreal Tramways Co. common stock is being bid up sharply on speculative buying in anticipation of expropriation at much higher share prices. Floating supply of stock is said less than 35,000 shares and price seems to move up readily on even small transactions.

At its next session, the Quebec Legislature will be asked to approve legislation for expropriation of the company, setting up of a Transportation Commission and a proposed $180 million 15-mile subway. The company has been operating in the red for almost three years now and its application for fare increases was granted only last September. The City Board of Research looking into the tramway situation cited the need for extensive expenditures to improve service and claimed sizeable savings might accrue from public ownership.

United Securities Ltd. is a holding company owning 38,336 shares of Montreal Tramways Co., or 54.77% of the outstanding stock. Any expropriation proceedings against Montreal Tramways, in which purchase price was based on indicated book value of Montreal Tramway shares, would likely mean a large capital payment to the company and probably later to shareholders.

Canadian Marconi Co. stock came in for strong buying early in the month when shares of American television companies were zooming on U. S. markets. Opportunities for investment in television's future in Canada are very limited at the moment. Production of the company's Emerson radio and television sets under agreement with the U. S. firm, Emerson Radio & Phonograph Corp., is progressing very satisfactorily, The Financial Post is informed. Also earnings in 1949 were much improved from the previous year, when the stock dropped to new low levels reflecting a net loss on operations of $388,971.

David & Frere "B" stock has been active on declaration of 50c participating dividend payable March 31, 1950. This makes 75c payable on the B in the fiscal year ended on that date and $2.75 on the "A" stock. Under stock stipulations, the B shares participate equally with class A after class A shares have received $2.25 and until class A shares have received $3 a share, after which all other dividends are paid only on class B shares.

Earnings per share on the A shares in the fiscal year ended March 31, 1949 and before participation amounted to $13.95 ($9.75). After participation, the class B earned $10.27 ($6.43). As of March 31, 1949, earned surplus represented over $17 a share on the combined 21,488 class A and 23,000 B shares outstanding. Financial circles attribute at least part of current activity in company shares to possibilities the company may distribute a part of earned surplus in accordance with Section 9 (6) of the Income Tax Act.

Kelvinator of Canada common stock has never stopped rising following appearance of company annual report early in January, disclosing record sales and earnings. Demand for company products gave no indication of dwindling, it was said. A $2.6 million expansion program announced late in January further bolstered the stock action. The new program, which will almost double plant floor space, was undertaken for several reasons, it was said: the rapid increase in Canada's population, many new homes constructed in recent years, extensive rural electrification programs under way and the desire to make the firm more self-sustaining as far as raw materials are concerned.

Chatco Steel Products Ltd. is expected to enter the car production field in the spring with a contract to assemble the Hudson automobile at its Tilbury plant. Unconfirmed reports say the company will also have the distribution rights for Canada. Hudsons were made before the war at Tilbury, Ont., in a plant owned by Canadian Top & Body, now a wholly owned subsidiary of Chatco. Canadian Top made the bodies; Hudson Motor Car the chassis.

Chatco, incorporated in 1940, has five plants; three in Tilbury, one in Chatham and one in Montreal. Canadian Top & Body was acquired in 1947. Chief products include lines of Airtemp Division of Chrysler Corp. (all types of heating, air conditioning); forced air gravity furnaces, electric washers, toasters, vacuum cleaners and half-ton express truck bodies for Ford, and farm implements for Ferguson Tractor at Detroit.

Modern Containers Ltd. "A" and "B" shares have been turning in a strong market performance (on small turnover) this year. The Post is informed that 1949 was a very good year with earnings well ahead of previous year. Financial circles see early possibility of special extra dividend. (Annual meeting is scheduled for end of March.)

Craig Bit Co. earnings are on the increase and outlook is steadily improving with the comeback of the mining industry. Investment interest is gradually expanding in this comparatively young company. Company began operations under difficult wartime conditions when it was necessary to use scrap steel and some uneconomic manufacturing equipment. But earnings position has improved steadily with better raw material supply and improved manufacturing facilities in its North Bay plant. Earnings in the current year are running far ahead of same period in previous year.

Orange Crush Ltd. stock again found favor in trader's eyes following report on operating results for fiscal year ended Nov. 2, 1949. Net profit of $411,041 (97c a share) compared with the previous year's net loss of $513,982 (a deficit of $1.21 a share). Although most investors realized that operating conditions were much improved with removal of excise tax on soft drinks and the warm summer and fall, they had not anticipated such a recovery. Plans for the future are built around increasing the service to franchise bottlers.

LEADERS IN 1950 MARKET GAINS

	Price Jan. 1	*Price Feb. 23	% Gain	Earns. Per Sh.	Div.‡	Yield %
De Havilland "A"	12	21	75	$2.03	$1.00	4.8
Acme Glove	7	11¼	60.7	1.61	0.50	4.4
Brantford Cord.	10½	16½	60	2.38	0.50	3.0
Montreal Tram.	36	51½	43	d12.03	...	..
Cdn. Marconi	2.75	3.90	41.8	d0.85	...	..
United Securities	14	21	50	d0.66	...	..
Dryden Paper	15	21	40	0.86	1.20	5.7
David & Frere "B"	12½	16¾	34	10.27	0.25	1.5
Kelvinator	43½	57½	32.2	12.01	3.25	5.7
London Hosiery	5½	7	27.3	1.03	0.80	11.4
Caldwell Linen	13	16½	26.9	4.81	1.00	6.1
Canada Steamship	14	17½	25	2.36	1.00	5.7
Chatco Steel	10¾	12¾	20	0.71	0.25	2.0
Modern Containers "B"	14¾	17½	18.6	2.54	1.00	5.7
Craig Bit	6⅞	8⅛	18.2	1.21	0.50	6.2
Orange Crush	6½	7¾	19.2	0.97	0.15	1.9
Cons. Textile	11½	13½	17.4	2.58	0.60	4.4
Zellers	53	61¾	16.5	6.80	1.87½	3.0
Windsor Hotel	14¼	16½	15.8	0.12	...	..
Canada Packers "B"	19¼	22	14.3	2.76	0.50	2.3
Canada Foundries "B"	40	45¼	13.1	9.64	3.00	6.6
B. C. Pulp & Paper	84	95	13.0	31.87	...	..
Burlington Steel	14¼	15¾	10.5	2.74	1.00	6.3

*Prices as of Feb. 23, or nearest trading date.

‡In 1949. In several cases higher dividends were paid for fiscal year and indicated for current year.

Zeller's Ltd. An extra common dividend of 50c a share, which shareholders interpret as reflecting still rising earnings trend, plus a 5-for-1 stock split on the common has sparked the upward rise in these shares. Wider market interest is anticipated when the common shares trade around the $12 level. Company earnings in first half of fiscal year (ended Jan. 31, 1950) were up 10.1% over same period in previous year.

Canada Packers "B": Company has declared an extra dividend of 50c a share on the class "B" stock, payable along with regular semi-annual dividend of 25c on April 1, 1950. This is the first extra to be paid on the stock since initial dividend was paid April 2, 1945, and brings total for fiscal year ended March 30, 1950 to $1—a yield of close to 5%. Looking at company's strong earned surplus position, some shareholders are anticipating a more generous dividend policy.

Burlington Steel Co. has just ended its most profitable year in history with profits 14% higher than in 1948, the previous record year. Demand for company products is said continuing to exceed raw materials available. Share earnings in 1949 amounted to $2.74 and dividends of $1 were paid. Around current price levels, dividend yield (based on $1 annual rate) is 6.3%. Production of "Hi-Bond" reinforcing steel bars, first to be rolled in Canada, is seen expanding company's market possibilities.

JAMES J. M. SIMPSON

Appointment of James J. M. Simpson as his Executive Assistant is announced by W. George Akins, president of Walsh Advertising Company Limited. Mr. Simpson, who is a chartered accountant, will continue as secretary-treasurer of the company, a position he has held for three years. *

W. H. HOBBS

has been appointed vice-president, personnel, Canadian National Railways.

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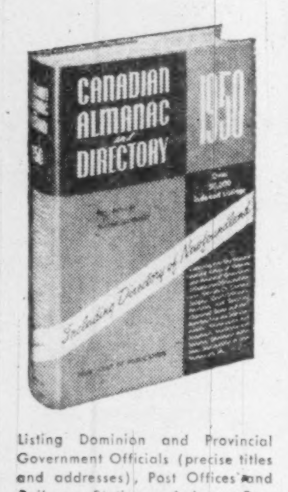

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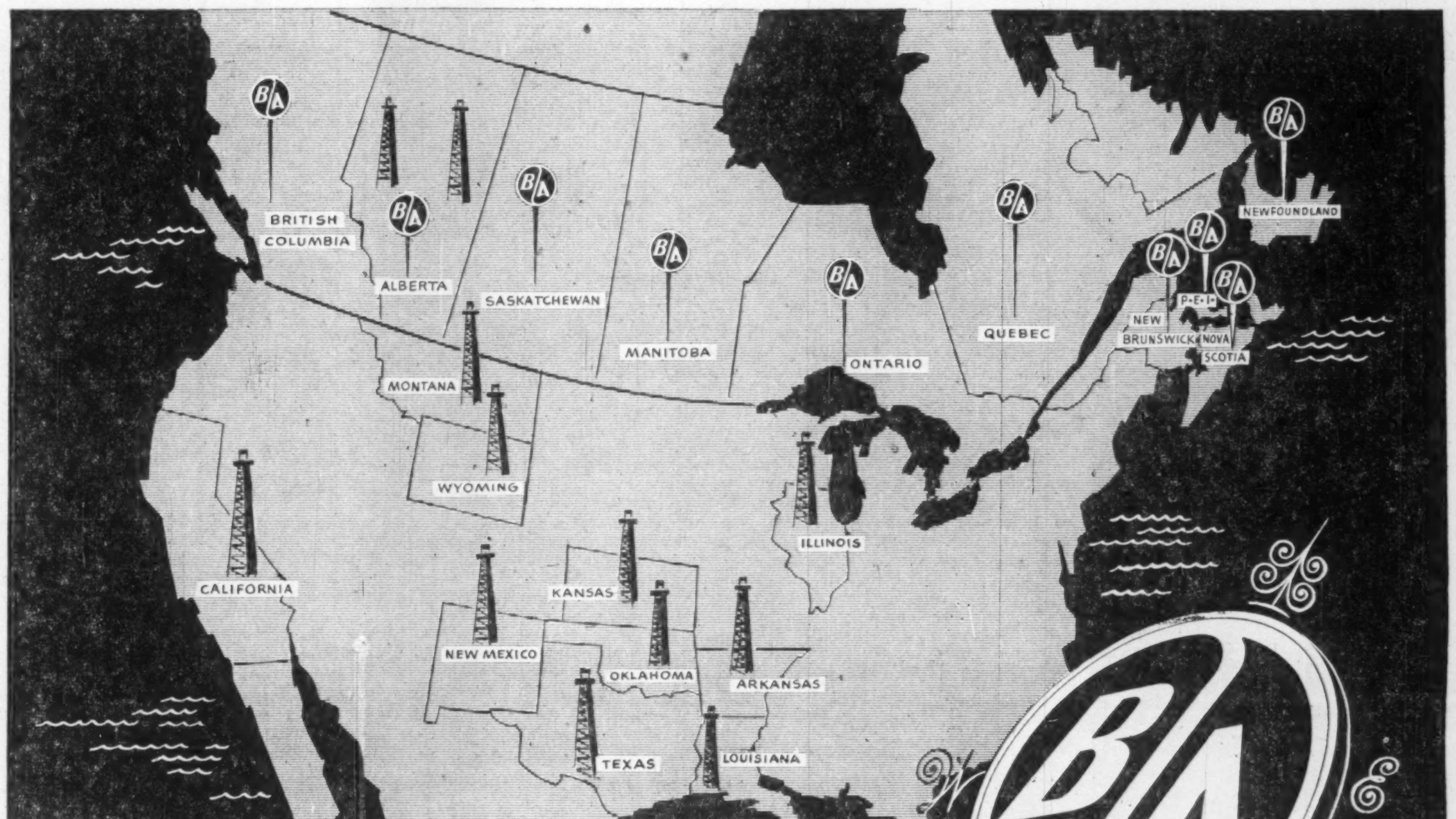

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IDEAS MAN

He Stacks Up Profit on Brain Waves

War Savings, Imagination Built Thriving New Business

By HARLEY POTTER

Do ideas have legs? They sure have with Hugh Allan Dodds, Oakville, Ont., businessman, who has made ideas really take him places.

Living proof that an "idea man" doesn't have to be impractical in executing his own ideas, Dodds has built his business from his brain waves plus a small stake of capital saved from wages as a wartime factory worker into a fast-growing manufacturing concern. Supplying molded plywood parts to a wide market in Canada, he lays claim to a large slice of one line in the amusement furniture business.

An artist and musician turned businessman, he finds his main worry is "government fol de rol" he never before realized existed. His suggestion: special arrangements should be made not to stunt young businesses by taking up too much executive time filling out forms before the staff can be expanded.

Aero Marine Industries, his dream-come-true, occupies about 10,000 square ft. of space in an old tannery right by Lake Ontario in Oakville. There he makes molded plywood frames for boats, furniture, odd parts, and has work under way on a 400-lb. convertible Fiberglas automobile body for mass production.

He lives in a prefabricated house—built inside his plant—which he hopes to put on a commercial basis also, perhaps this summer.

Now 36, Dodds always wanted to make things, have a business. When a youngster he invented a cab to fit over a motorcycle, used the device himself. "I tried to sell the Toronto police on the idea. The inspector was down to look at it, and admitted it would keep the policemen warm but was afraid it would slow them down when they chased someone," he laughed.

The inventor has lost none of his originality, though later ideas have showed a happier tendency to turn into profits.

Built First House Early

Born in Toronto, Dodds left school to work for his father, a real estate and building man. When he was 21 he had built his first house on his own as a general contractor. He continued in this business and in office remodeling till the war broke out.

Then he went to work in the Massey-Harris aircraft plant in Weston, Ont., as a toolmaker, moved up to tool designer, then aircraft component part designer. He learned principles of designing by studying a correspondence course in architecture. Unable to afford university, he won a diploma in his spare time.

In 1945 he invested about $5,000 of savings in equipment and started in business. Since then he has turned out thousands of parts, had to move to get enough room. He employs his brother Douglas, 26, as superintendent for a seven-man staff.

Secret of his plywood success is use of radio frequency gluing, says Dodds. This advanced technique makes possible fast bonding-together of veneers to make shaped parts.

It is done with a small two k.w. short-wave radio machine, transmitting waves about 12 feet long. Whole thing is wheeled around in a cabinet something like your garageman's testing devices.

Veneers are laid in a wooden die, the two parts overlaid with aluminum. When wires from a coaxial cable are fastened to the two aluminum coverings, waves go through the veneers and a plastic resin paste placed as glue between them, Dodds explains. "The wood doesn't resist and the waves go right through; but the resin tries to turn the waves, sets up a resistance, you might say. That makes heat." The heat starts chemical action in the resin—mixed with a powder catalyst—and parts are firmly glued together in 60 seconds. This saves time, does not require as heavy presses. Dodds uses air pressure presses, one hydraulic press.

Cooks Sandwiches, Steaks

Working for Aero Marine has special advantages at lunch time. The employee puts his lunch between two aluminum plates connected to the machine, in about 30 seconds has beautifully cooked meat, with juice through the bread—"just like a hot beef sandwich."

The Dodds have also done steaks for the family dinner the radio way. Takes about 60 seconds, gives a product looking like a broiled steak: "Delicious—no burning of the outer part, cooked right through."

An artist, Dodds took night school painting classes while a prewar house builder. With business demands now, he has had to let his art interest taper off. The suite, however, has samples of his work on the walls, including a large painting of his favorite theme—a boat.

Also musical, he plays the piano and piano accordion. The piano sits in the office, beside his designing board, where he plays in bits of spare time. "We go to the Boulevard Club in Toronto," says Mrs. Dodds, "and have a great time at singsongs with Hugh playing the accordion."

Is the piano of plywood? No, but the suggestion brings a gleam to Dodds' eyes. He has promised to try a plywood case for a friend's electric organ.

Dodds has a hard-working and helpful co-worker in Mrs. Dodds. "I am interested in all his plans," she says, though she confesses she doesn't know too much about technical aspects of the business. But she comes home at night from accounting job with a Toronto insurance company, cooks the meal and looks after the books. Keen on interior decorating, she specially likes the green and coral striated plywood walls of the factory suite.

A picture window looking out on Lake Ontario and a lighthouse makes up for living in an industrial district, she says. "Hugh is going to paint that scene some time."

His Love for Boats

The designer is an enthusiastic sailor, but his nautical interest springs from his love of building. He started building boats when a youngster. He would build one, get an idea for improving the design, sell the old boat, start another. He ended up with a 30-foot sloop.

Boats are a staple at the Oakville plant. Dodds estimates he has turned out more than 200. Stacked inside are samples of his work, embodying special, radical design.

You are a bit confused when you first look at them. They are tear-drop shape, he explains, with the front of the hull broad and roundish, the stern, narrow, pointed.

It isn't just theory, claims Dodds, who designed the boats. "You can get in one and try rowing it forward or back and you will find it goes easiest with the rounded end first." It stands to reason, he argues, the shape found best by airplane engineers should work in another fluid, water.

With the same molds he has turned out a sailboat and a rowboat for use with or without a 1-hp inboard motor. Sailboat with 18-foot mast, etc., weight 100 lb., he says. "That's something." He considers the row-boat ideal for a car-top craft.

About one-half the boats sell to Americans. "An American will look at one and say 'I want that,' but for some reason you have to sell to get Canadians to buy them. Canadians are conservative, look at the shape and say that isn't the way a boat is supposed to look." He has been invited to open a factory in the U. S., but likes it here, will probably stay even if Canadians are old-fashioned, he says.

HUGH ALLAN DODDS

The Fiberglas Auto

Standing among the finished boat hulls in the plant is a tiny blue auto. Made of plywood, it is a test model for mass-production, to be molded of Fiberglas imbedded in plastic. It stands with the boats only because Dodds has no time to work on it; he intends to take it up again, try a bigger motor. Using a three hp gasoline motor, it ran 40 mph on the road, he says. Although something similar is being experimented with in the U. S., this model was designed by himself.

Weighing 400 lb., the tiny two-passenger car measures a little over 10 feet from stem to stern, should sell in the super-low price bracket, for easy parking on shopping trips. It has the engine in the rear, luggage compartment at the front.

Aero Marine's founder is a strong believer in possibilities of prefabrication of plywood houses.

"I have seen all the ways houses are built and feel this is an improvement," he says. "Place to fabricate light plywood cottages and houses is in the plant, where costs are kept low by not having to pay wages that compensate for days of idle time, by conserving scrap material, by having right equipment." Such houses would not be best for everything, he concedes, but sees them as ideal, low-cost accommodation for young married couples.

He should know. Married in November themselves, he and Mrs. Dodds live in a test model of his prefab house, built inside the plant as a suite.

Walls are of hollow plywood panels four feet wide, eight feet high, 4½ inches thick. Actual plywood, of fir, is three veneers, total thickness 5/16 inch. Floors are of box-beams 20 feet long, four feet wide. Even with internal structural support, use of a beam this long without underneath support in the middle is unusual, Dodds claims. Actually, floor uses no beams. The floor panels are the beams themselves.

The house "snaps together" in about three hours, using special grooving at joints, could be taken down in about the same time, says Dodds.

Everything but the kitchen sink, and that unbolts. Plumbing, etc., take a bit more time.

Suite has one big living room, 24 by 16 feet, a kitchenette; a bathroom; total measures 20 by 24 feet. The test model was originally to be erected outside, but work was not well enough along on all details as bad weather approached. It may be moved out this summer. Rooms can be added as family grows. Dodds does not mold veneers for house construction himself.

A plywood house might sell for $5,000 or up. Walls have outside joints covered with narrow strips which add decorative effect.

Packaged Staircases?

Canada is about 100 years behind the times in staircases, says Dodds. Builders still leave odd-shaped spaces in houses to be filled in by specialist stair-building carpenters, with expense and bother.

Devoting attention to this problem, Dodds became an expert on stair building. "I could have set up with another fellow as a stair builder, but I would have to spend my whole time at it. Once you take off your coat you're working for wages."

But he is considering marketing a packaged plywood staircase, to occupy same space as a clothes closet. Of spiral design, it would have some disadvantages, but would suit people who would cut costs by leaving a precision space for it in plans.

Red Cross lifesaving stations in widely separated parts of Canada use Dodd's light surfboards.

If you are a trial fan in Toronto you may have rested on one of Dodds' products through exciting passages of legal argument. He has ten molded plywood benches in the city hall police court.

Benches are one of Aero Marine's big items. Sold to bowling alleys, they have captured a nice share of that market, the designer claims. He is now planning an adaptation—more conservative—for sale to churches. Special feature is a back and seat five by four feet, an accomplishment in one-piece molding, Dodds claims. He says he could offer 12 foot benches using no middle support.

The business started on Queensway in Toronto in 1945. Nonincorporated, it gets its name from Dodds' ambition to make component aircraft parts with skill learned making Mosquito bombers, and boats, on which he started because he saw a good market. Perhaps if another war comes the plant will serve Canada making plane parts, he says.

First location was a couple of blocks from the water and boats had to be put on top of Dodds' car to be taken for testing. "We had great thrills experimenting." Orders came in so briskly there just wasn't room. In August 1948 the plant moved to Oakville. Even there Dodds finds himself crowded sometimes.

When The Post visited his plant, Dodds had it piled with stackable school chairs and desks on contract to a department store firm. Here the molded parts gave "clean" design; made possible stacking to clear school rooms for socials, dances, saved room in shipping, he said.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

STURGEON RIVER GOLD MINES LTD. shows a net loss of $439 for 1949 as against a net profit of $211 for 1948. The mining property remained inactive. Revenue from securities was down slightly.

Some prospecting was done and two men were kept busy at maintenance and repair work on the buildings and servicing machinery and supplies.

President A. L. Bishop states that economic conditions have not as yet turned sufficiently in favor of gold mining to warrant resumption of production and directors favor conserving company's ore reserves.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Sundry income	$12,194	$12,726
Less: Oper. exp.	400	301
Adm. & gen. exp.	12,233	12,214
Net loss or deficit	439	*211

*Net profit or surplus.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$12,991	$6,981
Accts. rec.	1,151	1,542
Mat. & supplies	36,437	36,637
Total curr. assets	50,579	45,160
Unexp. insur.	2,968	5,854
Dominion bonds	186,584	186,532
Bds. with HEPC	2,700	2,700
Tor. Gen. Tr. Cert.	10,000	10,000
Min. & ind. stocks	77,042	79,376
Mine develop.	87,480	87,480
Claims & props.	42,730	42,730
Plant & equip.▲	129,172	129,336
Total assets	589,255	589,168
Total curr. liab.	613	86
Capital stock	384,879	384,879
Surplus	203,763	204,203
▲After depr. of	108,807	108,818
Working capital*	49,966	45,074

*Excluding Dominion bonds, trust certificates and investments.

HOWE SOUND CO. reports smaller net profit of $1,694,407 or $3.67 a share for 1949 compared with $2,845,545, $6.16 a share, in 1948. Partly responsible for the decline was the fall in prices for lead, zinc and copper, but operating expenses also rose from $13,149,670 to $16,622,101.

At the Britannia Mine continuous production with a daily milling rate of 3,100 tons was maintained. A new ore body, low in copper and gold, containing material values in zinc and some silver, was developed in the upper section of the mine. Discovery of this ore shoot has made it advisable to continue exploratory work at the same horizon toward the west, where zinc mineralization is known to be present, H. H. Sharp, president, states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	•1949 $	1948 $
Oper. revenue	19,329,366	20,093,739
Less: Oper. exps.	16,622,101	13,149,670
Net oper. earn.	2,707,265	6,854,069
Add: Other inc.	253,803	15,925
Total net earn.	2,961,068	6,869,994
Less: Deprec.		302,510
Amortiz.	1,229	
For. exch. adj.	99,617	
Interest	95,000	95,000
Taxes	1,070,815	3,626,939
Net profit	1,694,407	2,845,545
Less: Dividends	923,800	923,800
Surplus for year	770,607	1,921,745

†Incl. in operating expenses.
•U. S. funds.

Earnings per Share	$3.67	$6.16
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	•1949	1948
Cash, bonds & bills	$2,613,153	$4,632,527
Notes, accts. rec.	2,233,304	2,073,345
Metals•	281,597	398,859
Inventories	1,478,155	1,066,354
Total curr. assets	6,606,209	8,171,085
Deferred charges	661,753	664,992
Invest. in subsids.	76,365	76,365
Other assets	787,082	
Fixed assets*	21,680,915	21,020,733
Total assets	29,815,324	29,933,776
Notes pay.	360,000	
Taxes pay.	644,788	1,529,111
Other	1,002,237	801,272
Total curr. liab.	2,007,025	2,390,383
Long term debt	3,640,000	4,105,000
Reserves:		
Insurance	381,409	381,409
Contingencies	4,000,000	
Miscellaneous	108,359	268,192
Capital stock	2,309,500	2,309,500
Capital surplus	96,992	96,992
Earned surplus	†17,272,039	20,332,300
•Market value	unstated	439,747
*After depr. & amort. of	12,180,446	11,503,235

†After deducting $4,000,000 conting. res.
•U. S. funds.

Working capital	4,599,184	*5,781,302

WESTERN CANADA BREWERIES LTD. shows a net profit of $719,658 for 1949, slightly higher than the 1949 net of $717,450.

During the year the name of the company was changed, from Brewers & Distillers of Vancouver Ltd. to Western Canada Breweries Ltd.

A semi-annual dividend of 50c a share payable March 1 has been declared and has been approved by the F.E.C.B. Subject to the approval of that board, dividends of 25c a share will be paid on June 1 and Sept. 1. This is intended to initiate a program of quarterly dividends in the future. Earned surplus has already been reduced by the amount of these dividends and they are shown as a current liability.

During the year the building program of Vancouver Breweries Ltd., the company's subsidiary, was completed with the finishing of the malt bins and the connecting tunnel carrying the services underneath Yew St.

At a meeting held Jan. 21, shareholders, in addition to approving the change of name, agreed to increase the authorized share capital to one million shares of $5 par, and to change the end of the fiscal year to Oct. 31.

Arrangements have been concluded to sell $4 millions of 4¼% first mortgage and collateral trust bonds and $4 millions of 5% convertible debentures. Proceeds will be $7,680,000. The company sold 22,000 shares of its Distillers Corp.-Seagrams holdings. It is not expected that any further outside financing will be required to complete purchase of the Western Breweries' Ltd. holdings. The company has now acquired 243,759 shares of Western Breweries Ltd., leaving 25,506 outstanding.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,177,061	$1,090,045
Add: Inv. divds.	128,160	85,400
Less: Inc. tax	392,500	370,700
Deprec.	193,003	87,295
Invent. res.		
Net profit	719,658	717,450
Less: Divds. paid	519,964	519,964
Surplus for year	199,694	197,486
Earnings per Share and Dividend Record:		
Common	$1.25	$1.24
Paid	0.60 + 0.30	0.60 + 0.30

Note—In 1949, co. appropriated $577,738 through surplus for dividends totaling $1 per sh. payable in 1950.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$27,697	$64,012
Accts. rec.	703,625	653,215
Inventories	654,367	634,646
Total curr. assets	1,391,189	1,351,873
Dist.-Seag. shs.§	1,039,844	1,039,845
Misc. assets▲	426,880	506,917
Fixed assets*	3,080,938	2,917,066
Plant const.		161,670
Goodwill, etc.	10	10
Total assets	5,938,861	5,977,381
Bank overdr.	8,198	82,676
Accts., etc., pay.	431,805	595,485
Divd. pay.	584,215	6,532
Total curr. liab.	1,024,218	684,693
Reserves	56,525	56,526
Capital stock	2,838,690	2,838,690
Surplus	1,969,428	†2,347,472
*After depr. of	1,147,535	967,721
▲Incl. ref. EPT	171,390	285,328

§Incl. in curr. assets in co's report.

Contingent liab.	387,000	262,065

†After $99,990 w/o goodwill, etc., and $103,316 net transferred from res. for future decline in invent. values.

Working capital	366,971	667,180

Mar. Dividends $55,072,664

Dividends payable in March (as declared to Feb. 23) amount to $55,072,664 as against $51,566,372 for March, 1949.

Higher payments by such companies as Aluminum Ltd., Distillers-Seagrams, Ford Motors and International Paper were largely responsible for the higher total.

Dividends declared and paid in 1950 to date total $121,756,963 as compared with $124,188,504 for same period last year. Following is a list of payments for March, 1950, as compiled by The Financial Post from records now available:

Monthly Dividends

	1950 $	1949 $
January	51,732,647	58,506,490
February	14,951,652	14,115,642
March	55,072,664	51,566,372
Total	121,756,963	124,188,504

Industrials and Utilities

Company	Rate	Date	Amount
Acadia-Atla. 5% pf.	1.25q	15	37,500
Agnew Surp. c.	.15q	1	60,442
Aluminum 4% pref.	.25q	1	141,576
Aluminum	.60	4	2,233,230
Anglo-Can. Tel. A	.15q	1	72,065
Argus	.15q	1	127,500
Do. 4½% pfd.	1.12½q	1	56,250
Asbestos	.20q + ▲.10	31	240,000
Auto Electric	.10	15	10,000
Do. A	.12½q	15	3,750
Bathurst Pr. & P. A	.50 + ▲.50	1	400,000
Do. B	.50	1	150,000
Barber-Ellis	.62½	15	27,500
Brew. & Dist.	.50	1	288,369
B. C. Packers A	.37½s	15	105,959
Do. B	.25s	15	70,639
Brown Co. pfd.	†1.50q	1	216,226
Bruck Silk Mills A	.30q	15	37,500
Do. B	.07½q + ▲.07½	15	37,500
Burrard D. D. A	.11q	15	[illegible]
Butterfly Hose	.25	15	26,045
Canada Cement pfd.	.32½q	20	326,412
Can. Crushed Stone	.20q	1	12,748
Can. Foundries A	.37½q	15	11,515
Can. Malting	.50q	15	99,486
Canada Vinegars	.20q	1	18,400
Can. & Dom. Sugar	.25	1	375,000
Can. Wire & C. A	1.00q	15	29,688
Do. B	.50q	15	[illegible]
Can. Safeway 4½% pf.	1.12½q	1	59,625
Canad. Cel.	.50q	31	620,818
Do. $1 pfd.	.25q	31	25,000
Do. $1.75 pfd.	.43¾q	31	175,000
Can. Fairbanks	.50q	1	40,028
Canad. Ing.-Rand	1.00	29	191,158
Can. Locomo.	1.00a + ▲1.00	1	319,192
Can. W. N. Gas 4% pf.	.20q	1	30,082
Can. Pac. Rlwy. c.	.75	31	10,050,000
Canad. Tire	.30q	1	30,000
Can. Wire Cloth	.25q	1	6,250
Chateau Steel 5% pref.	.25s	1	9,587
Cockshutt Plow	.25q	1	149,534
Cons. Litho	.50q	31	30,000
Cons. Textiles	.20	1	40,000
Cons. Theatres A	.13q	1	10,556
Do. B	.10	1	24,360
Cook-ville A	.15q	1	13,350
Corr. Paper Box	.37½q	1	17,625
Do. pfd.	1.25q	1	5,625
Crescent Cream. 7% pf.	5.00	31	49,843
David & Frere A	.25q + ▲.75	31	21,404
Do. B	.50	31	11,500
Davis Leather A	.37½q	1	37,500
Do. B	.17½q	1	27,452
Dist. Seagram	.30	15	2,550,805
Dominion Stores	.37½q	15	118,130
Donohue Bros.	.25q	1	37,500
Dover Ind.	.15q	1	21,422
Eddy Paper A	.25q	15	50,000
Electrolux	.40	15	492,200
Fibre Prods.	.20q	22	13,200
Ford Motor A&B	.50q + ▲1.00	10	2,488,440
Gair of Can. 4% pfd.	1.00q	1	13,500
Grafton A	.25q	15	9,030
Gordon Mackay A	.12½q	15	25,200
Do. B	.25	15	50,400
Gypsum Lime	.35q	1	164,015
Hamilton Cotton	.25q	1	20,000
Imp. Tobacco ord.	.12½q + ▲.12½	31	2,407,758
Do. pref.	3% s	31	240,900
Imperial Varnish	.25q	1	13,402
Do. pref.	.37½q	1	4,020
Ingram & Bell pfd.	6.00a	15	29,952
Inter-City Bak.	.20q	31	21,145
Inter. Paper new	†.62½q	27	4,770,400
Do. 4% pref.	†1.00q	27	220,000
Inter. Utilities c.	†.25q	1	196,534
Kelvinator	.75q	20	75,000
Lake of W. Milling	.40q	1	59,076
Do. pref.	1.75q	1	26,250
Alf. Lambert pf.	.25q	1	18,750
Laura Secord	.20q	1	57,500
Loblaw Groc. A & B	.25q	1	207,089
M. Loew's	1.00q	31	7,596
Lounsbury A	.12½q + ▲.20	1	33,209
Do. B	.20	1	7,676
MacKinnon Str. St. 5% pf.	1.25q	15	3,450
Massey-Harris	.37½q	15	507,717
Do. 6½% pfd.	.62½s	15	100,234
Maxwell Ltd.	.12½q	1	12,500
Molson's Brew. A new	.20	23	150,000
Do. B new	.20	23	150,000
H. Morgan pfd.	1.19q	1	17,850
Nat. Drug & Chem.	.12½q	1	31,297
Do. pref.	.15q	1	36,701
Nat. Sea Food pfd.	2.50s	1	18,750
Nat. Sewer Pipe	.60q	15	16,656
Neilson, Wm. 5% pfd.	1.25q	1	30,737
Nfld. Lt. & Pwr.	.25q	1	30,000
Do. pfd.	1.25q	1	15,000
N. S. Lt. & Pr. 4% pf.	1.00q	1	20,000
Do. 6% pfd.	1.50q	1	36,450
Do. 4½% pfd.	1.12q	1	14,084
Ogilvie Flour pfd.	1.75q	1	35,000
Okanagan Valley Tel.	.20	1	10,766
Do. pfd.	.20s	1	10,000
Paton Mfg.	.20q	15	10,000
Do. pfd.	.35q	15	10,500
Photo Engravers	.75 .50	1	37,500
Powell River	.50	15	672,347
Pressed Metals	†.25q	1	70,499
Purity Flour	.25s	1	45,750
Regent Knit.	.25s	1	16,252
Do. pref.	.40q	1	6,400
Robinson, Little A	.25q	1	6,250
Rolland Paper pfd.	1.06¼q	15	18,063
Scythes & Co.	.25q	1	12,500
Do. pref.	.31¼q	1	4,494
Sicks' Brew.	.30q	31	285,600
Silknit	.25q + ▲.40	15	41,655
Do. pfd.	.50q	15	7,500
H. Simon & Sons	.30q	1	9,015
Do. 5% pfd.	1.25q	1	5,000
Simpsons A	1.00	15	360,000
Do. B	1.00	15	360,000
Do. 4½% pfd.	1.12½q	15	168,750
Stand. Chem.	.12½	1	93,750
Do. 5% pfd.	1.25q	1	37,500
Sun Publishing	.25	1	16,795
Taylor P. & C. pfd.	.12½q	1	3,125
Toronto Elevator	.15q	1	37,155
United Auto 5% pfd.	1.25q	1	9,688
United Steel	.15q	31	70,414
Viceroy Mfg.	.20q	15	118,192
Virginia Dare 5% pfd.	.31¼q	1	5,000
Walker-Good. & W.	.60	15	1,737,610
Westeel	.75q	15	88,614
Geo. Weston 4½% pf.	1.12½q	1	73,125
Wilson, J. C.	.15q	15	24,863
Total			37,450,326

Mining Companies

Company	Rate	Date	Amount
Aunor Gold	.05q	1	100,000
Belleterre Que. M.	.10s	15	150,000
Broulan-Porc.	.02	1	53,880
Hallnor Mines	†.07	1	140,000
Hollinger Cons.	.06q	30	295,200
Hudson Bay Mines	1.00q	13	2,757,973
Inter. Nickel c.	†.40q	20	5,833,610
Kerr-Addison G. M.	.18	28	851,454
Lake Shore	.20	15	400,000
Macassa M.	.03	15	80,242
McIntyre Porc.	.50½q	4	400,995
Noranda Mines	1.00q	15	2,239,772
Normetal M.	.09	31	338,130
O'Brien G. M.	.05	8	162,500
Proprietary Mines	.18	28	165,506
Waite Amulet	.25	10	875,000
Jack Waite	.01	18	27,544
Young Davidson	.02	15	31,682
Total			14,853,588

Oil Companies

Company	Rate	Date	Amount
Royalite	.06¼q	1	186,347
Stuart, D. A. pfd.	.20q	1	6,722
Total			193,269

Financial

Company	Rate	Date	Amount
Bk. Can. Nationale	.20q	1	140,000
Bank of Montreal	.25q	1	900,000
Bank of Toronto	.35q	1	210,000
Dom. & Anglo Inv. p.	1.25q	1	13,184
Dom. Scot. Inv. pfd.	.62½q	1	20,710
Econ. Inv. Tr.	1.00 + 1.75	24	110,000
Indust. Accept.	.50	31	120,000
Do. 4¼% pfd.	1.06¼q	31	15,938
Do. 5% pfd.	1.25q	31	18,750
Do. 5% pfd. $25 par	.31¼q	31	25,000
Do. 5% pfd. $32 par	1.70	31	12,000
La Bk. d'Econ. de Que.	.25q	1	25,000
Leverage Fund	‡.03	15	1,500
Provincial Bank	.15q	1	60,000
Royal Bank	.25q	1	875,000
Sec. Can. Int. Inv.	.15q	1	2,828
Do. pfd.	.10q + ▲.05	1	5,571
Total			2,573,481
Grand Total			55,072,664

q Quarterly. s Semiannually. †Payable in N. Y. funds. ‡Initial. ▲Extra.

VILLAGE OF CONTRECOEUR, Que., has sold $50,000 15-year 3%-3¼% serial bonds at a price of $98.27 to Morgan, Kemf & Robertson Ltd., on a cost basis to the village of 3.391%. The issue, dated March 1, 1950, consists of $6,000 of 3%'s due March 1, 1951 to 1960 and $44,000 of 3¼%'s due March 1, 1961 to 1965. Proceeds are for waterworks, sewers and fire prevention.

GEORGE C. CRAWFORD

president, Standard Sanitary and Dominion Radiator Ltd. has been elected a director of the Commercial Life Assurance Co.

Quick Wind-up Of Ott. Power Will Be Sought

MONTREAL (Staff) — A special general meeting of shareholders of Ottawa Light, Heat & Power Co. has been called for March 10, 1950:

To approve a bylaw authorizing directors to transfer the company's gas business and working capital required in connection with it to a newly incorporated company.

To pass a resolution requiring the company to be wound up under the Winding-Up Act.

"To speed up the distribution of the first payment to the shareholders, Ottawa Light, Heat & Power Co. must be wound up," President Frederick E. Bronson advises shareholders. "To accomplish this it is found necessary to adopt the procedure provided by the Winding-Up Act. No other method promises as prompt and effective action."

The liquidator to be appointed under the Winding-Up Act could not advantageously operate the company's gas business or its Hull business even for the short period to which it is hoped the liquidation proceedings may be limited. Consequently it is necessary to transfer these assets to a newly incorporated company which will operate these businesses while efforts are being made to dispose of them at a fair price, Mr. Bronson said.

Meanwhile the first distribution of the shareholders would not be interfered with. The transfer to the new company would be in exchange for all of its 140,000 no par value shares which would then in turn be distributed share-for-share to the shareholders of Ottawa Light, Heat & Power, Mr. Bronson explained.

Staff Changes

Chartered banks announce the following staff changes:

Nova Scotia:

R. J. SMITH, to be assistant general manager.

T. J. BOURKE, to be manager, Mount Dennis, Ont.

C. F. HIBBARD, to be manager, Bancroft, Ont.

K. F. McCURDY, to be manager, Black's Harbour, N.B.

E. R. RUSSELL, to be an assistant accountant, Montreal.

Imperial:

M. E. GEORGE, accountant, Yonge & Bloor Sts., Toronto, to be 2nd assistant manager, Toronto.

E. T. CRAXTON, formerly 2nd assistant manager, Toronto, to be manager, Bathurst & Dupont, Toronto.

R. W. TROWERN, formerly manager, Bathurst & Dupont Sts., Toronto, to be manager, New Liskeard.

J. A. GROSKURTH, formerly manager, New Liskeard, to be manager, King & Sherbourne Sts., Toronto.

H. E. BEMROSE, formerly manager, King & Sherbourne Sts., Toronto, to be manager, St. Catherine & Stanley Sts., Montreal.

H. G. WATERS, formerly manager, St. Catherine & Stanley Sts., Montreal, to be manager, Market St., St. Catharines.

J. S. INK, formerly manager, Market St., St. Catharines, Ont. to be acting manager, Rosthern, Sask.

C. A. NASH, formerly accountant, Galt to Toronto.

R. M. BORROWMAN, formerly accountant, Preston, to be accountant, Galt.

W. J. A. HILL, formerly assistant accountant, Welland, to be accountant, Preston.

N. B. DONALD, formerly accountant, Bloor & Bathurst Sts., Toronto, to be accountant, Yonge & Bloor, Toronto.

A. A. MacKENZIE, formerly assistant accountant, Yonge & Bloor Sts., Toronto, to be accountant, Bloor & Bathurst Sts., Toronto.

S. HIGGINSON, formerly accountant, British & Foreign Department, head office, to be acting assistant manager, Yonge & Queen, Toronto.

K. R. ALLBRIGHT, formerly assistant manager, Yonge & Queen, Toronto, to be manager, Sarnia.

E. S. CAMPBELL, formerly assistant accountant, London, to be accountant, Sarnia.

C. E. SANDFORD, formerly assistant accountant, Sunnyside, Toronto, to be accountant, Kingsway, Toronto.

S. E. WORTS, formerly accountant, Saskatoon, to be 2nd assistant manager, Calgary.

W. H. WOOD, formerly accountant, Kenora, to be accountant, Saskatoon.

J. W. BRADSTOCK, formerly accountant, St. Vital, to be accountant, Kenora.

J. F. STRANGE, formerly of North Winnipeg, to be accountant, St. Vital, Man.

Profitable Operation
Requires Adequate
Working Capital

The officers of many business concerns, both small and large, find that changing conditions have brought changes in their financial needs. Working funds which formerly were adequate are no longer sufficient to permit operation at top efficiency. We shall be pleased to discuss with you, ways and means of providing additional working funds as needed.

DOMINION SECURITIES CORPN. LIMITED
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Small Firms Show Top Postwar Growth

By JAMES H. JOYCE

How do small companies compare with large companies for growth prospects, earnings and dividend records?

An analysis of income account and balance sheet figures, compiled by the Bank of Canada, made by The Financial Post shows:

(a) Companies whose 1941 assets were under $1 million showed the most rapid growth both in the 10 years from 1938 to 1948 and in the three postwar years from 1945 to 1948.

(b) This same group of companies showed by far the largest percentage increase in net profit both comparing 1938 to 1948 and 1945 to 1948.

(c) The smaller the size of the company, the higher the percentage of net profit which was retained in the business.

The Bank of Canada's study breaks down its financial statistics for 663 Canadian companies according to the 1941 asset size of the companies into four groups namely:

Group 1 — 36 companies with 1941 assets of over $25 millions.

Group 2 — 127 companies with 1941 assets of $5-$25 millions.

Group 3 — 243 companies with 1941 assets of $1-$5 millions.

Group 4 — 257 companies with 1941 assets of under $1 million but over $200,000. (This constitutes a relatively small sample of all companies having assets under $1 million, the Bank notes.)

The Post will designate these groups as large, medium-large, medium-small and small respectively.

A study of these financial statistics goes a long way to dispel any conception that big business gets all the breaks and is squeezing the smaller firms out of business.

Perhaps one reason for the better results of the smaller companies lies in the fact that their top management is able to keep more closely in touch with all phases of the business than is possible when operations are on a larger scale. Further, war production gave a great boost to smaller firms. Sustained high demand after the war continued this boost.

Distribution of Net Profit

The net profit available to stockholders of the 257 small companies in 1948 was nearly 5.2 times its level in 1938. Most of this growth came after the war as the small companies' 1947 net profit was nearly 2.7 times its 1945 level.

Second largest percentage increase in net profit for the 11 year period is shown by the 127 medium-large companies. Their 1948 net profit was over 2.6 times its 1938 level and was over double its 1945 level.

The largest companies show the second best increase in postwar years with their 1948 net profit being 2.2 times their 1945 net but only 2.3 times their 1938 net profit. The increase in these companies 1948 net profits as compared with 1947 was the largest of any group.

The 243 medium-small companies show a 1948 net profit of 2.2 times their 1938 net and nearly 1.9 times their 1945 net profit.

The average increase in net profit for all 663 companies from 1938 to 1948 was 144.0% (or 2.4 times) and since 1945 was 112.3% (or 2.1 times).

NET PROFIT AND DIVIDEND INCREASES

Group* By Assets	No. of Cos.	1948 to 1938 Net Profit %	1948 to 1938 Divds. %	1948 to 1945 Net Profit %	1948 to 1945 Divds. %	1948 to 1947 Net Profit %	1948 to 1947 Divds. %
I—Over $25 millions..	36	130.2	33.1	120.0	62.4	33.2	18.8
II—$5-25 millions	127	165.7	54.7	107.0	76.8	23.6	4.2
III—$1-5 millions	243	121.2	7.1	87.2	50.0	28.1	—11.8
IV—$200,000-$1 million	257	419.1	44.4	168.1	80.6	32.6	—20.7
All	663	144.0	36.2	112.3	65.1	29.2	9.5

*Based on 1941 assets.

The figures also indicate that the amount of the net profit being paid to shareholders in dividends has not kept pace with the increase in the net profit. Although a larger net income is available for stockholders, the proportion being distributed in dividends has dropped. In other words, a greater percentage of net income of all corporations is being retained in the business. Only 54.6% of the net income available to stockholders was paid out in cash dividends to shareholders in 1948 as compared with 64.5% in 1947, with 72.9% in 1946, with 78.6% in 1939 and with 97.9% in 1938.

The smaller the size of the company, the greater the proportion of the net income retained in the business. As the small companies showed the biggest percentage jump in net profits this explains their more rapid growth during the 11 year period.

The percentage of net income retained by these groups over th period shows as follows:

NET PROFIT RETAINED

Year	Group I %	Group II %	Group III %	Group IV %	All %
1938	nil	4.5	15.2	4.3	2.1
1939	12.0	29.9	32.6	39.4	21.4
1940	16.6	26.5	17.5	34.3	20.3
1941	22.5	28.3	28.3	54.0	25.9
1942	24.3	36.3	40.0	59.6	31.6
1943	19.4	40.2	43.6	56.7	30.5
1944	20.0	31.4	44.7	57.5	28.1
1945	19.3	34.9	48.7	60.4	29.7
1946	17.6	33.0	40.0	41.8	27.1
1947	33.2	34.0	40.4	55.4	35.5
1948	40.4	44.4	58.9	73.4	45.4

With the Department of National Revenue now starting to investigate the accumulation of undistributed surplus in companies, there is a strong possibility that the percentage of net profit paid out by all companies, and particularly the smaller companies, will tend to increase for this and following years.

The retention of net profit in business has been one reason for the growth of all the companies.

Net worth of the 663 companies (total assets minus total liabilities and specific reserves) was 52.4% greater at the end of 1948 than at the end of 1938 and 25.8% greater at the end of 1948 than at the end of 1945. The percentage increase in the net worth of the groups when 1948 is compared with 1938, with 1945 and with 1947 is shown by the following table:

NET WORTH

Group* By Assets	1948 to 1938 %	1948 to 1945 %	1948 to 1947 %
Over $25 millions	144.8	127.3	111.0
$5-$25 millions ..	158.1	123.3	110.3
$1-$5 millions ...	159.7	124.3	111.3
$200,000-$1 million	196.6	137.3	115.9
All	152.4	125.8	111.0

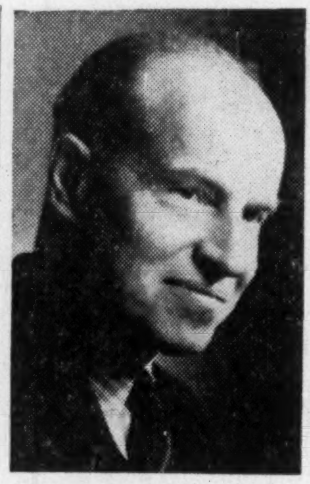
*Based on 1941 assets.

The net working capital position of these 663 companies has been greatly stengthened since 1938. Their net working capital at the end of 1948 was nearly 2¼ times its level at the end of 1938, 29.4% higher than at the end of 1945 and increased 14.8% in the year 1948 alone. By far the larger part of the increase, it will be seen, came during the war years rather than since the war. This reflects to a great extent the companies' inability to invest funds in new plant property and equipment during the war years.

Percentage increases in working capital for the various groups are shown in the following table:

WORKING CAPITAL

Group	1948 to 1938 %	1948 to 1945 %	1948 to 1947 %
I	230.4	130.8	114.5
II	219.9	130.9	114.4
III	214.4	119.9	114.1
IV	227.3	135.2	121.1
All	224.6	129.4	114.8



R. A. DALY

has formed a partnership, under the name of R. A. Daly & Co., to conduct a brokerage business as members of the Toronto Stock Exchange.

These facts are shown in an accompanying table:

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LAMBTON TRUST CO. LTD. net profit for 1949 was $15,031, up 16.6% from the 1948 net of $12,890.

Estates, trusts and agencies accounts amounted to $2,147,383 ($1,927,580 in 1948).

	1949	1948
Liabs. to public, etc.*	$744	$1,598
Shareholders' equity .	406,031	405,037
Secured by:*		
Mtges. & sls. agree.	162,822	151,474
Liquid assets♦	243,953	255,161
Total assets	406,775	406,635
♦Includes bonds and stocks.		
Estates account	2,147,383	1,927,580
Net profit	15,031	12,890
Earned per Share	$2.38	$2.04
Paid	1.75	1.75

BRITISH COLUMBIA TELEPHONE CO. reports net profit of $578,393 for 1949, off 27.17% from the 1948 net of $794,070. Total revenues increased $919,121 to $13,078,017 while operating expenses were up $1,134,798 to $12,499,624. Revenues fell short of dividend requirements by $397,857.

Demand for service continued at a high level. The net increase in telephones in service was 17,994 to a total of 226,431, with 24,000 unfilled applications. Since January, 1946, telephones in service have increased by 63,296 or 39%.

Record highs in local and long distance calls placed were established.

Gross additions to plant and equipment were over $8 millions. A submarine cable between Vancouver and North Vancouver and a toll submarine cable between the mainland and Mayne Island were laid. More than 80 additional toll channels were added to the company's toll network, Gordon Farrell, president, stated.

Hearings on the company's application for a rate increase were concluded on Jan. 21, 1950, and the Board's judgment is now being awaited.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings‡	$3,605,818	$3,532,088
Less: Deprec.	1,878,684	1,648,443
Bond interest	863,989	770,479
Note interest	194,419	232,233
Amort. bd. disc. ...	90,333	86,863
Net profit	578,393	794,070
Less: Pref. divds.	60,000	60,000
6% pfd. divds.	270,000	270,000
4¾% pfd. divds.	166,250	76,198
Ordinary divds.	480,000	420,000
Deficit for year	397,857	32,128
‡After total taxes.		
Times Bond and Note Interest Earned:		
Before deprec.	3.41	3.52
After deprec.	1.63	1.88
Earnings per Share and Dividend Record:		
6% Preference ..	$57.84	$79.41
Paid	6.00	6.00
6% & 4¾% pref.	6.48	9.18
Paid (6%)	6.00	6.00
Paid (4¾%) ...	4.75	1.18♦+*0.99♦
Common	1.37	6.46
Paid	8.00	8.00
*Accrued from Oct. 15 to Dec. 31.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds. ...	$4,669,309	$7,639,447
Accts. rec.	934,423	820,648
Inventories	1,800,601	1,898,270
Total curr. assets ..	7,404,333	10,358,365
Unamort. exp.	743,408	789,428
Sink. fund	150,578	150,000
Misc. assets♦	435,815	369,345
Fixed assets	55,206,282	49,392,762
Total assets	63,940,416	61,059,900
Accts. & tax. pay. ...	1,288,617	1,498,793
Other curr. liab.	710,921	669,167
Total curr. liab.	1,999,538	2,167,960
Notes pay.	4,854,000	5,000,000
Funded debt	24,500,000	21,500,000
Reserves*	16,691,565	16,216,770
Capital stock	15,000,000	15,000,000
Prem. on cap. stk.	375,000	375,000
Surplus	520,313	800,170
*Incl. depr. res.	15,404,387	14,829,592
♦Incl. ref. EPT	95,782	148,160
Working capital	5,404,795	8,190,405

NEW GOLDVUE MINES advises that Torny Financial Corp. has taken down and paid for 40,000 shares at 17½c and 40,000 shares at 20c a share. Options still outstanding include 1,160,000 shares at 20 to 35c a share. There are 1,756,171 shares outstanding and 1,243,829 in the treasury.

Hard To Sell Those Shoes? Survey Views Retail Faults

Do retailers and manufacturers often waste merchandising effort through bad timing? What merits or demerits are there in the franchise system which limits distribution of a product to certain outlets? Can "clearances" of slow-moving lines be unhealthy for an entire industry?

In Montreal recently, Canadian Shoe Retailers Association heard the findings of a survey which throws light on these questions.

The shoe industry survey was made by Erwin, Wasey Inc., U. S. advertising agency, and Walter Kohn came up from that agency's New York office to outline the results. Here is a digest of what he said:

By WALTER KOHN

One of the first things that struck us was bad timing. Often there was little relationship between the time shoes were advertised and the time they were sold.

The second thing we found was that there was very little relationship, and possibly even less co-operation, between all the elements that went into the selling of a single pair of shoes. You sell one pair of shoes to one customer at one time. From there on you use the multiplication table.

We found manufacturers were operating at one level, retailers at a second level, and consumers at a third.

Looking into advertising, we found very little that actually did the job it was supposed to be doing — first, selling Mr. and Mrs. Consumer the fact that here was something worth spending some hard-earned dollars for; and second, because that was so, the money that was spent for that ad was not getting one hundred cents for every dollar invested. We took one issue of one publication in which there were 32 shoe ads, and if you had covered up the brand names you could not tell which was which.

Now we found that something else had happened; and that was that Mr. and Mrs. Public were not buying shoes to the same extent they had bought them before. Shoe sales picked up in 1946, dropped in 1947, 1948, and 1949. When you consider the fact that the population increased considerably since 1946, this meant that sales were down. This means that the sales of men's shoes in 1948 were right back to where they were in 1936, when we had five million fewer men.

Something else made it even worse. The only figures we could gather for these shoe sales were production figures. We arrived at sales figures by assuming that all the shoes which were produced for a given year were also sold to Mr. and Mrs. Consumer during that given year. The error, and I am sure there was an error, was just as large as the inventories in every shoe store of the nation. If you start adding those up, I am afraid you will arrive at a pretty shocking conclusion.

In Canada, here, I understand you had a decline in 1947 and 1948 with an upturn in 1949, when you wound up with 36 million pair of shoes. That figure is 13% under 1947 and 7% under 1945; and in 1945 you still had shoe rationing, and people were still wearing their Army shoes.

Manufacturers' Responsibility

This calls for new thinking, along new lines.

First of all, Mr. Manufacturer has to assume a responsibility which he is now reluctant to assume, which means not necessarily that he has to spend more money, but that he has to make his money do a better job all along the line right down to the consumer. He has to do a better job of teaching me how to sell. He must tell my clerks how to sell my shoes. He must tell Mrs. Consumer what to look for in shoes, and how to look for it, and that what she wants to look for is (his brand of) shoe.

Here again I think the manufacturer has a great responsibility in teaching his retailers how to respect his merchandise. Because I have the proper respect for his brand of shoe, I will never want to let it go to the clearance. As a retailer, I want the full $5.95 for the shoes because (a) I need that profit (b) it is the only way of keeping up that manufacturer's reputation (c) every clearance is a confession of weakness. And a mark down — any mark down — means that the shoe has not been made properly or sold properly. If it has not been properly made, it is the manufacturer's fault; and if it has not been properly sold it is his fault — and also my fault.

Clearance may be necessary to the industry — I do not know. I do know that there are a number of industries that get along without them. Maybe the shoe was wrong, or maybe the price was wrong, but before we send them to clearance let us see if we have done everything we could and should have done to sell them at $5.95.

Now something else has happened because of clearances, at least in the United States. Too many customers are getting in the habit of buying all their shoes at clearances. Is that healthy for the industry? It is certainly not healthy for me as a retailer, because there is no profit there. Either the clearance shoes are unbranded, or they are not worth the price I am asking for them. What am I doing when I run repeated clearances? I am building a reputation as a junk shop. I do not think many of us want that reputation.

The remedy is in increased identity for good brands. There are no clearances in the automobile industry, in cigarettes, or newspapers. If a publisher prints too many newspapers one day, he is not going to offer them for sale the following day at a two-cent reduction because they are yesterday's papers.

Chains Avoid Clearances

In the shoe industry it is very significant to notice that the chain stores in the United States who feature at a single price, or at two or three prices, rarely or never run clearances. They always get full advertised price.

Now, you may say that you have another element in the shoe industry which you have to sell. You have style. Some may say that is all you have to sell. Of course you have style changes. Other products also have style changes, and selling new styles can be done with better advertising, merchandising, and selling.

I see no reason why style needs to be divorced from brand identity. In doing that, you are placing yourself in a dangerous position where you can become a contractor overnight and lose your identity. This matter of brand identity is as important to the retailer as it is to the manufacturer. It is an insurance policy on your shoes, it is a way of bringing consumers back next year, the year after, and every year. It is the best thing you can do to establish yourself. It is the best investment you can make in your business. If you do not have brand identity, you have that much harder a selling job next year again.

I want to talk to you about the franchise system. We know from our survey that this system is not always advantageous. We know that some manufacturers have sold more of the same brand of shoes by not confining their sale to one retailer of a given area.

Maybe mass selling is still in its infancy. What would happen if we were to confine Kreml to one drug store. Shoes are different of course. You do not have as many shoe stores as you have drug stores. But you cannot have, in the long run, mass advertising unless you also have mass selling. Persistence in advertising and promotion is essential, but persistence in a franchise only limits your distribution, it increases your selling costs and decreases your selling potential.

Now, how are you going to promote your foot health program if people do not change their shoes offener? We believe that if you think about this you will sell the idea of shoe change from infancy up, because the habits that are established in childhood are going to be maintained; and the habits of shoe change are among the most important habits that are to be established. Many people claim they have more shoes in their closets than we know they have.

We have to educate our consumers in shoe changes, and we have to create respect for the shoes we sell. We have to go out and get those customers to come in.

New Issues

$1,876,374.89

TOWNSHIP OF NORTH YORK

3½% Debentures

To be dated April 1st, 1950 • To mature April 1st, 1951 to 1970

Principal and annual interest payable at Toronto and Willowdale. Coupon debentures in denominations of $1,000 and odd amounts, registrable as to principal. Debentures maturing in the final year only of each issue redeemable at the option of the Township at any time at 100 and accrued interest.

Each debenture will bear the Certificate of Validation of the Ontario Municipal Board.

$ 49,144.73 Debentures due 1951 to 1955, inclusive
219,230.16 Debentures due 1951 to 1960, inclusive
70,000.00 Debentures due 1951 to 1965, inclusive
1,538,000.00 Debentures due 1951 to 1970, inclusive

We, as principals, offer these debentures if, as and when issued and accepted by us and subject to the Validation of the Ontario Municipal Board. It is expected that Debentures in definitive form will be ready for delivery on or about April 3rd, 1950.

Schedule of prices and descriptive circular available on request.

HARRISON & COMPANY LIMITED — **BANKERS BOND CORPORATION LIMITED**
J. L. GRAHAM & COMPANY LIMITED — **ANDERSON & COMPANY**
FAIRCLOUGH & COMPANY LIMITED — **COCHRAN, MURRAY & CO. LIMITED**
BURNS BROS. & DENTON LIMITED — **MIDLAND SECURITIES LIMITED**

Market Problems Facing Tanners

The tanning industry is facing conditions vastly different to those prevailing in the last 10 years, R. A. Stewart, retiring president of the Canadian Tanners Association, stated at the recent annual meeting.

During the last year, exports of leather have again dropped and tanners are faced with contracting foreign markets. At the same time certain leathers and shoes are being imported into Canada at prices which would indicate that they are being dumped in this market, Mr. Stewart said.

Devaluation of foreign currency and subsidies paid to the foreign tanners partly account for the low prices at which leather is being imported into Canada. The export of Canadian hides and skins continues at a high level

Canada is almost entirely dependent on foreign sources for tanning materials and Mr. Stewart recommended that the association should carry on research work.

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Canadian National Railway Company	2⅞%	1971	2.87%
Ontario Hydro Electric Power Commission	3%	1970	3.02%
Province of Manitoba	3%	1967	3.04%
Province of Nova Scotia	3%	1967	3.04%
Province of British Columbia	3%	1969	3.08%
Imperial Oil Limited	3%	1969	3.03%
Canadian Oil Companies Ltd.	3¼%	1962	3.15%
Power Corporation of Canada	3½%	1967	3.57%
Brompton Pulp & Paper Co.	3½%	1966	3.79%
Dominion Dairies Limited	4%	1966	4.62%
Columbia Cellulose Company	4%	1968	4.65%
Odeon Limited	4¼%	1963	4.75%

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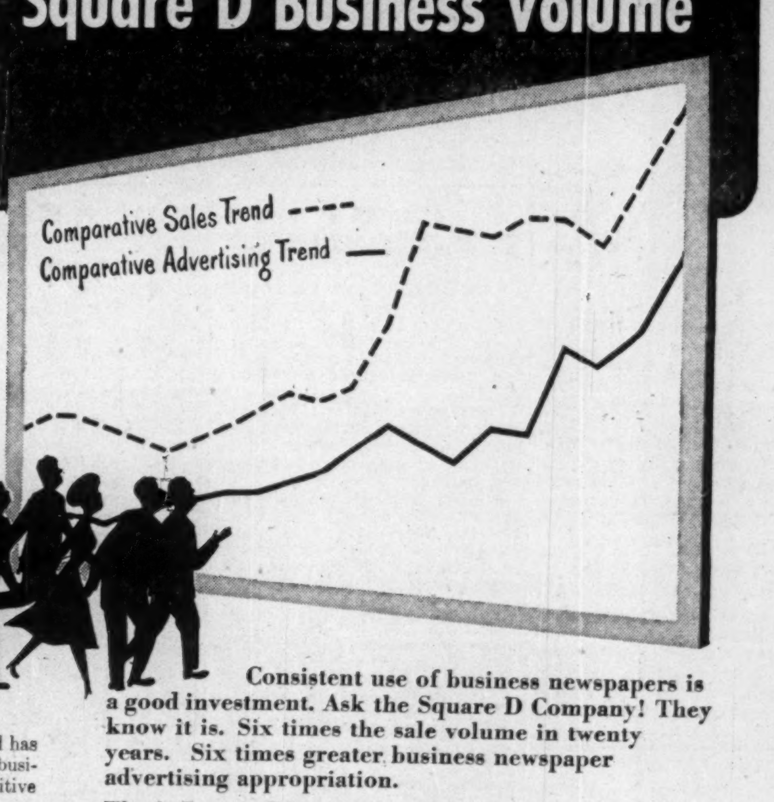

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LABOR ROUNDUP

By RONALD WILLIAMS

Showdown Looming on Industry Pensions; Union Holding Strike Club Over Ford

The issue of pensions for Canadian industrial workers was rapidly coming to a head this week.

In Windsor, Ford workers learned an Ontario Conciliation Board had turned down union demands for $100 a month company-paid pensions; recommended the $55 the company offered before conciliation began.

Also in Windsor, Chrysler and the CIO Auto Workers, began arguing the same issue before a second Conciliation Board.

In Hamilton, 1950-51 contract talks got under way between the Steel Co. of Canada and the CIO Steelworkers. Pensions are a big bargaining point here too.

Steel negotiations were pending with Dominion Steel & Coal Corp., Sydney, N.S.; and Algoma Steel at Sault Ste. Marie.

Next in line: the important General Motors renewal with UAW. This promises to be the roughest session of all. The union, still smarting from its strike defeat last fall, may try to throw the "book" at G.M.

Also pending: another bargaining round with St. Catharines' McKinnon Industries, a major auto parts supplier. Here, to concentrate on bringing wages into line with Windsor and Oshawa, the UAW has dropped pension demands. The union is talking as tough as it did prior to the long strike in 1948.

All spots will bear watching, but Ford most of all. If the CIO Auto Workers are to win pensions at all in Canada, they have to crack Ford. Moreover, their chances are going to be better now than later: the sky-high postwar automobile market is just about over; Ford production particularly, is rapidly catching up with demand.

This doesn't necessarily mean it's now or never for the union. But the pressure is building up to a showdown. This explains, partially, the union's outburst against the Conciliation report and the Board Chairman, C. P. McTague, former Ontario Supreme Court Judge and J. C. Adams, employer representative. They signed the majority finding. A minority report recommending $100 pensions was submitted by union representative Drummond Wren, former research director of the UAW.

The report, charged Union Director George Burt, was "scandalous" and an "insult to union intelligence." He also went a lot farther by criticizing the majority members for "lack of impartiality."

Next day, Burt was taken to task when he appeared before the Chrysler Conciliation Board. " . . . a vicious and cowardly attack," declared Board Chairman Judge H. E. Fuller of Welland. "You . . . have implied that these two men not only are dishonest and prejudiced but have deliberately violated their oath of office. You have also implied that all judges and lawyers who have sat or are sitting on boards of this kind are equally dishonest . . . ."

This set the stage for the next union step: rejection of the report. The negotiating committee did so last week end; it was almost a foregone conclusion that the rank and file would too when it votes next Sunday.

This will make any union retreat virtually impossible; by then they will have gone too far. A strike will be almost inevitable whether the union or rank and file members want it or not; the same thing happened at G. M. last fall. Only full and complete submission by the company could avert it and this is highly improbable for the same economic reasons which are forcing the union's hand.

Company union talks were resumed this week after a three-month interval while the issue was before the Conciliation Board.

The next two weeks should tell the story. By then, the union will be in the clear, legally, to strike. Not since the 1945-46 Ford strike has the powerful Auto Union been acting so tough. If they do strike, many observers believe 1950 may be second only to 1946 in labor-management strife.

• • •

Insure More Unemployed

As expected, Ottawa is preparing to make the first major changes in our Unemployment insurance system since it was started nine years ago. The main amendments:

—Raise wage ceiling of those eligible from $3,120-$4,800, bringing another 90,000 under the rainy-day umbrella.

—Supplementary benefits in the winter only when seasonal unemployment is at its peak. Payments will be 80% of normal benefits and will be financed by additional 1c contribution a day by employers and employees and commensurate payment by government. This will safeguard fund reserves.

—Coverage extended to loggers and lumbermen. Except in B.C., where they have been insurable all along, the new insurables will only qualify if they have worked 90 days in some insurable employment during the 18 months prior to making their claim.

New schedule of weekly contributions by employer and employees and benefits:

Wages	Contrib. (c)
Less than $9	18
$9 to $14	24
$15 to $20	30
$21 to $26.99	36
$27 to $33.99	42
$34 to $47.99	48
$48 or more	54

Weekly Contribution	Benefits Without Dependent	Benefits With Dependent
12 cents	$ 4.20	$ 4.80
18 cents	6.00	7.50
24 cents	8.10	10.20
30 cents	10.20	12.90
36 cents	12.30	15.60
42 cents	14.40	18.30
48 or more	16.20	21.00

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Two Year Contracts

The two-year contract idea, originated by General Motors and the CIO Auto Workers, appears to be catching on. G.M. in Canada and the U. S. started the ball rolling 18 months ago and tied wages to the cost-of-living. In the U. S., this has meant two minor wage cuts, the second (2c) last week. Simultaneously, G.M. announced price reductions. No downward adjustments have been made in Canada so far.

Two weeks ago, a threatened strike in Toronto's commercial printing industry was averted through a two-year settlement. Workers will get 10c raise the first year; 7½c the second.

Last week, an Ontario Conciliation Board proposed a similar settlement in the current plumbers' dispute in Toronto. The Board rejected union demand for 25c an hour more (to $2 an hour); recommended 12c: 5c this year, the rest next year in the form of welfare benefits.

Immediately, the plumbers' union began hollering strike louder still. Already, they were on the picket line in Ottawa. It was an illegal walkout and employers had been given permission to prosecute. This only added fuel to the fire. The union retaliated by threatening to call a province-wide strike if court action is pushed.

Behind the fire and counter-fire this fact stood out: the dispute was a showdown on building costs. Employers, through the Master Plumbers' Association, the Ontario Builders' Exchange and the Canadian Construction Association, are determined to hold the wage and the price line. They know the plumbers are carrying the ball on 1950 wage increases for the building trades unions: what the plumbers get, the others will go after.

The union is emphasizing the crippling effect a plumbers' strike would have on Toronto's estimated $100 millions of building. They claim the building industry would grind to a stop through sympathetic secondary strike action by the other highly organized trades.

"Intimidation," retorted E. T. Wingate, secretary of the Master Plumbers. "There are close to 400 shops in Toronto . . . 35 are unionized. The same ratio pertains to all other major Ontario centres. 'A plumbers' strike, he indicated, would not engulf the whole industry.

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4.5 Millions Jobless in U. S.

Canada is not the only country with an unemployment problem. The United States jobless total is at a postwar high. Latest official figures place the number of persons out of work at 4.5 millions or 1.8 millions more than a year ago.

There, as here, government officials are not displaying too much alarm. The reason for this attitude is much the same in both countries. Much of the increase is due to seasonal factors; bad weather over large areas leading to curtailment of construction and farm work; layoffs after the Christmas rush.

This similarity also extends to the ratio of jobless to the total civilian working force: In the U. S. 7%; Canada, 7.4%.

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Trade Unionism Big Business

Trade unionism is getting to be big business financially as well as organizationally. How big was indicated last week when Philip Murray, president of the CIO and the CIO Steelworkers signed a cheque for $500,000 and gave it to John L. Lewis and his mineworkers as an outright gift toward the mine union's strike in the United States.

All unions are not that wealthy. In Canada, for example, several are either in the red or very close to it. The Canadian Congress of Labor itself is not too flush. But some individual unions such as Steel, appear to be well heeled. At the last count the steel union showed a net worth of over $8 millions, including $4 millions in cash. This was before their half million donation to the mineworkers for strike relief.

This didn't mean that the Mine union itself was up against it. The latest U.M.W. report showed it had over $13 millions on hand in its treasury. In addition it has several millions in welfare money which is kept in a separate account.

United Automobile Workers is not quite as flush as Mine or Steel unions. But they were still able to help out the steel union with $100,000 during last year's steel strike. Auto Workers' assets total about $4 million and the union is currently collecting an assessment of $1 per member per week for a special strike fund; Canadian members are excused.

Other wealthy unions:

A.F.L. Railroad Trainmen; $55.5 millions ($50 millions of this is in insurance and benefit funds).

A.F.L. Teamsters, about $20.20 millions; in cash, $6 millions.

A.F.L. Typographical Union: $16 millions.

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Labor Briefs

Marcel E. Franq, International representative of the AFL Chemical Workers, succeeds Elphege Beaudoin as president, Quebec Federation of Labor. Beaudoin quit to take a seat on the Quebec Labor Relations Board. Franq moves up from secretary-treasurer. Franq landed the Chemical union job following the recent removal of Red officers and a general housecleaning.

• • •

Seven hundred American Can employees in Montreal get 8c hourly raise under new contract reached after union rejected Arbitration Board recommendation of 5c-8c.

• • •

January strike statistics: nine strikes, 2,456 strikers; time lost, 39,488 days. In Dec: 13 strikes; 3,041 strikers; time lost, 23,667 days; Jan. 1949: 10 strikes, 1,811 strikers; time lost, 9,700 days.

C. B. NEAL

has been elected president, Outboard, Marine & Mfg. Co. of Canada, Peterborough.

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YOURS TO PROTECT

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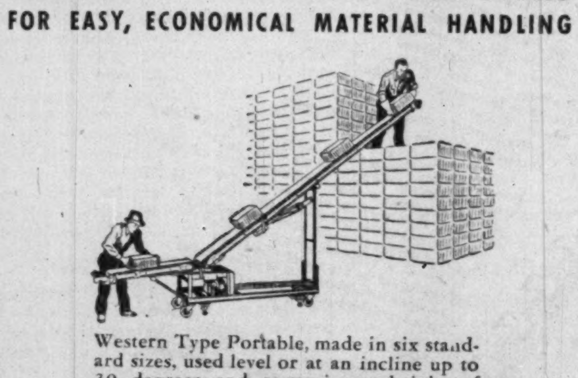

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These Debentures having been sold, this advertisement appears as a matter of record only.

New Issue

$10,000,000

Imperial Tobacco Company of Canada, Limited

3% 20 Year Sinking Fund Debentures

To be dated March 1, 1950 — To mature March 1, 1970

Trustee: The Royal Trust Company

In the opinion of Counsel, the Debentures of this issue are investments in which The Canadian and British Insurance Companies Act, 1932 (Canada), as amended, states companies registered under it may invest their funds.

A copy of the prospectus will be furnished promptly upon request.

Price: 98.15 and accrued interest

We, as principals, offer these Debentures, if, as and when issued and accepted by us; subject to the approval of all legal matters by Mr. Colville Sinclair, K.C. on behalf of the Company and by Messrs. Blake, Anglin, Osler & Cassels on our behalf.

It is expected that Temporary Debentures, later exchangeable for Definitive Debentures, will be ready for delivery on or about March 1, 1950.

The right is reserved to reject any or all applications, and also in any case to award a smaller amount than is applied for.

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CARRERAS, LIMITED

IMPROVED METHODS COUNTERACT RISING COSTS

FUTURE PROSPECTS

SIR EDWARD BARON ON THE POSITION

The forty-sixth annual general meeting of Carreras, Ltd., was held on February 20 at Arcadia Works, Hampstead-road, London, England, Sir Edward Baron, chairman and managing director, presiding.

The Secretary, Mr. George F. Copeland, F.C.I.S., having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen,—You will have had the opportunity of studying the balance-sheets and accounts during the past few weeks. May I ask you to take them as read, particularly as in the course of my remarks I will try to give explanations which I hope will enable you to obtain a clear picture of our operations during the year under review and our position as at October 31 last. Do you agree? (Hear, hear.)

The events of the past twelve months show that the cautious attitude I adopted when I spoke to you here a year ago was justified. In the first place, the allocation of dollars for the purchase of U.S.A. leaf was not up to our expectations as the pressure of economic necessity compelled the Government to reduce the initial allotment by nearly 20 per cent.

Successful Purchasing

Following this there loomed before us the prospect of devaluation, the possibility of which seemed to be very widely accepted in spite of official statements to the contrary, and which eventually became a reality with unexpected suddenness in September. Fortunately for this company, we had accelerated our leaf buying programme and had secured a large proportion of our requirements before then. Our purchasing organisation once again achieved very excellent results in accordance with our particular needs within the limitations imposed. We were successful in obtaining additional supplies of Rhodesian and other growths from sterling areas but, as I indicated last year, these cannot, under the most favourable conditions, produce enough tobacco in the foreseeable future to make good the shortage from the dollar areas. In fact there is already every indication that if the present restrictions on dollar purchases remain it will not be easy to keep production at its present level.

In previous years I have referred to the restrictions and difficulties which have made the volume of our export trade more and more difficult to maintain. Among contributory factors I would mention the import restrictions and exchange controls imposed by certain overseas Governments, due to the less favourable economic circumstances of their countries, and the limitations imposed by our own Government on the allocation of dollars for the purchase of leaf tobacco.

Manufacturing Abroad

The arrangements for manufacturing Craven "A" cigarettes in the United States, mentioned last year, have brought about results which, at this early stage, can be described as promising for the future and, while we are encouraged by what has so far been achieved, it must not be overlooked that it will take time for this market to be on a profit-earning basis. During the year the manufacturing arrangements we made in Switzerland came into operation and these we feel will be helpful to us. Our Canadian subsidiary has had another successful year and under the present able management we are confident regarding its future prospects.

As far as the sterling area is concerned, we are hopeful that the Government will take a long-term view in the interests of English trade-marks and goodwill. Any further restriction on the amount of tobacco made available for export would jeopardise the efforts and expenditure made over many decades in building up a substantial volume of business. Cigarettes shipped to such countries as Malaya fulfil a demand from people who are contributing to the dollar-earning efforts of the sterling area, and shortages of tobacco products would in the long run prove far more detrimental than any temporary advantage which might otherwise be gained. I can assure you that, despite these many problems, we are doing our utmost by every possible means not only to maintain our present traditional markets, but to enter new fields whenever and wherever the opportunities present themselves.

"Tipped" Cigarettes

Regarding "tipped" cigarettes, a good deal of delay occurred in their introduction, entirely due to production problems mainly connected with the complicated machinery and methods which have to be employed. Only a limited output has been possible so far, and we are watching the position very closely in view of the somewhat mixed reception accorded to this type of cigarette by the general public.

Our costs, in common with those of other manufacturers, rose in various directions, but, the results before you demonstrate that we have by careful control, planning, improved production methods and the exercise of the strictest economy offset these to a considerable degree. You will appreciate that this must have been the case, since, for the reasons I have mentioned, it was impossible to expand our trade beyond that of the previous twelve months.

Cordial Labour Relations

We have no labour troubles and our relations with our employees have remained on their usual excellent and cordial terms. Our personnel department are consulted by many other companies and outside organisations, and we have taken part in several national research projects, the object of which has been the maintenance of good industrial relations. You will, I am sure, be happy to learn that we again paid to all employees a bonus for the financial year of five and a-half weeks' wages and I am certain you will endorse our action in giving such recognition to their constant and devoted service throughout the year.

We have over 250 employees who have each served the company for over twenty-five years and it has been arranged for a framed photograph of each individual, signed by myself as chairman, to be presented to them as a small token of our appreciation. These will be handed to them at the close of this meeting, and we should be only too glad for any of the shareholders who would like to do so to remain with us when these proceedings have terminated.

Balance-Sheet Items

Having given you some indication of the course of events perhaps you will allow me to refer now to the balance-sheets and accounts. These are presented in a new form with comparative figures which I hope meets with your approval. The Companies Act of 1948, of course, necessitates a considerable amount of additional detail which may not be of help to shareholders. I am rather afraid, however, that to the majority it only results in the accounts becoming so involved and complicated as to render the position less clear than formerly, and I hope that the movement towards simplification of company accounts which is being sponsored by responsible members of the accountancy profession will bear fruit in the not too distant future.

In the balance-sheet of the parent company you will observe that the general reserve, after being credited with some £64,000 from sundry amounts set aside in former years to meet contingencies which it is considered are no longer likely to arise, has been raised to £900,000 by the addition of £96,785 from profits.

Similarly the reserve for replacement of fixed assets has been brought up to £250,000 by the transfer of £15,013 from sales of redundant plant and machinery, etc., and £119,279 from profits. I indicated last year that this would probably be done and it is a most necessary step in these days of greatly enhanced prices for, as you are aware, it is our constant endeavour to maintain our plant and equipment in the highest state of efficiency which circumstances will allow. You will also see from Note 7 at the end of the balance-sheet that we have capital commitments amounting to approximately £230,000.

Exorbitant Taxation

You will agree with me, I am sure, when I say that profits must be sufficient not only to maintain our dividend but to provide funds to keep our buildings, plant and machinery in such a condition of efficiency that output can be kept at a satisfactory level and full employment for our workers ensured. The present exorbitant level of taxation renders this exceedingly difficult and I do hope that all concerned — employees included — will ponder this matter very carefully.

Under the heading of revenue reserves and current liabilities there is an increase in the bank loan. This was necessary partly because our purchases of leaf were accelerated, as I have already mentioned, partly because of certain additional investments we have made and to which I shall refer in a moment, and partly also because we paid a considerable extra sum in respect of income-tax on the taxable profits for the year to October 31, 1947. These you may remember were unduly increased by the considerable sum arising from the increase in the tobacco duty and the payment referred to accounts for the reduction in the item for current taxation in the balance-sheet.

On the assets side, plant and machinery, etc., shows the increase which you might expect from our resolve not to allow our equipment to become in the slightest degree inefficient or out of date. Stocks show little change, but as our purchases of U.S.A. leaf were accelerated these should normally have been higher and the fact that they remain at nearly the same level indicates some further inroads on our resources.

Trade Investments

You will have noticed that there has been a rise in the total of other investments, forming part of our trade investments, etc. Here I would explain that during the year we had an opportunity of taking up, on favourable terms, further shares in the British Tobacco Company (Australia), Ltd. That company, you will doubtless recall, acquired in 1940 the Ordinary share capital of Carreras, Ltd., of Melbourne, and we have no reason to regret that transaction. This additional holding gives us a greater interest in the potentialities of that progressive country, and we regard it as a sound investment with very good possibilities for the future.

We have also, in pursuance of our expressed intention of improving our position in regard to the buying of Rhodesian leaf tobacco, acquired a substantial interest in a sound and efficient leaf buying, processing and packing organisation in Southern Rhodesia, which we look upon as a prudent and wise move.

Depreciation

In the profit and loss account the larger amount provided for depreciation arises from the fact that the many new items purchased during the year and at the end of the previous year come into the calculations at full value as compared with the heavily written down values of the items for which depreciation was provided in the previous year. The exceptional amounts written off refer chiefly to the cost of certain patent rights relating to machinery for tipping cigarettes which we have deemed it expedient to eliminate from our accounts immediately.

Apart from the effects of devaluation on the sterling value of certain assets of the Canadian company, the consolidated balance-sheet generally speaking follows the same pattern as that of the parent company. The origin of the foreign exchange reserve is explained in Note 2. It has arisen from the conversion into terms of sterling of the current assets of the Canadian company. This figure may, of course, vary from year to year according to the rate of exchange in force at the time.

The interests of outside shareholders in subsidiary companies reveal increases this year, and in the case of the share capital the increase is solely due to the fact that as the result of devaluation the sterling equivalent of the issued capital of the Canadian company is now much higher. In the case of revenue and profit and loss balances this factor also applies and, in addition, the proportion of undistributed profits has, of course, been increased by the appropriate amount from the current year's profits of the Canadian subsidiary.

Stocks

The increase in the total of stocks arises almost entirely from the effects of devaluation on the sterling value of those located in Canada and does not represent any appreciable addition to available supplies held by the group.

The last of the accounts, the consolidated profit and loss account, does not need much amplification as the figures clearly show how the group has fared during the year. The chief items, such as depreciation and taxation, etc., conform with those of the parent company and I would only mention that the increase in the balance from trading accounts includes, of course, a larger amount in respect of the Canadian company's profit as, although that was only a little higher than a year ago, the lower rate of exchange gives a greater sterling equivalent. In addition, our Newcastle subsidiary, John Sinclair, Ltd., had a somewhat better year.

The War Memorial

Before I say anything about future prospects I should like to bring to your notice the rather unusual nature of the war memorial which has been created to keep alive the memory of those of our employees who lost their lives during the recent war. Perhaps I cannot do better than refer you to the very excellent booklet which has been prepared, a copy of which each of you will receive on leaving this room at the close of the proceedings.

Its object is to ensure that every child of an employee killed or severely disabled by enemy action is assisted in developing any technical or academic ability or helped to pursue a trade or calling. The funds required have been mainly provided by the company, but in addition a considerable sum has been donated by employees and one of the larger shareholders.

We are grateful to those of our employees who constitute the committee, under the chairmanship of my colleague Mr. Danbury, for all they have done to bring this excellent project into being and for all they are doing to ensure its successful working.

The Outlook

As to the future I can say very little. We are faced with the General Election a few days hence and the result cannot of course be predicted, but whatever Party is returned to power, I hope and trust it will adopt businesslike methods to restore this country's prosperity and prestige. I am of the opinion that this can only be done by giving commerce and industry a fair chance to achieve the results it secured in the days of our former greatness. I join with many others in saying that the present prohibitive taxation must be reduced, wasteful Government expenditure eliminated and all unnecessary controls done away with. Only by this can our enterprises freely demonstrate that our reputation for efficiency, quality and good workmanship is not dead and gone but that the British manufacturer and the British worker have really no superiors anywhere in the world.

In our own business we really do not know what the future holds in store. One of our main preoccupations is the question of leaf supplies and, as I have already told you, the prospects are not over bright. Whether we can maintain production for home consumption at the existing level remains to be seen, although we hope the problem may not become acute.

"A Good Deal of Confidence"

We have a first-class organisation, efficient management at all levels and loyal and devoted workpeople. With these and our excellent equipment which we maintain in first-rate order, we feel we can face the uncertainties of the coming months with a good deal of confidence in our ability to overcome the many difficulties with which we know only too well we shall be faced.

I cannot promise you that we shall be able to repeat the results disclosed in these accounts, but I can undertake that we shall do our very best to get close to them. Our aim will be, indeed must be, to earn sufficient profit to provide funds to enable us to keep our physical assets in perfect order and to maintain our dividend—earned, by the way, on a working capital much larger than the nominal amount on which it is paid. Here I would remind you that all this has to be done after the Government has taken its enormous quota by way of taxation, no easy task as you will readily appreciate.

I look forward to seeing you again next year when I sincerely hope that our efforts will be rewarded by another satisfactory achievement in the shape of results which will meet with your commendation and the approval of all the 34,000 shareholders in the company.

The Dividend

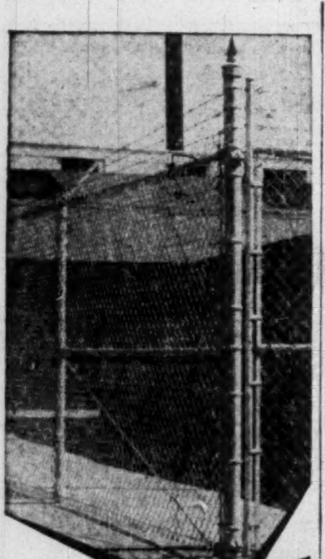
I now move: "That the directors' report and the accounts as at October 31, 1949, submitted to this meeting, be and the same are hereby received and adopted. That a dividend of 22½ per cent., less income-tax, on the Ordinary, 'A' Ordinary and 'B' Ordinary shares be and the same is hereby declared, making, with the interim dividend paid in June last, 35 per cent., less income-tax, for the year on all classes of Ordinary shares, such dividend to be payable to all Ordinary, 'A' Ordinary and 'B' Ordinary shareholders appearing on the register on the 9th day of January, 1950, the date on which the share register was closed."

The resolution was seconded by Mr. Harry W. Danbury and carried unanimously.

The proposed dividend was approved; the retiring directors, Lt.-Col. Sir Francis Humphrys, G.C.M.G., and Mr. Paul H. Baron, were re-elected; the remuneration of the auditors, Messrs. J. H. Champness Corderoy Beesly and Co., was fixed and the proceedings terminated with a vote of thanks to the chairman, directors and staff.

Each of 259 men and women with 25 or more years' service was then presented with a large portrait photograph of himself or herself inscribed with a message of thanks on behalf of the company and directors, and signed by the chairman.

The recipients then presented Sir Edward with a silver tray, on which were engraved their signatures, as a token of esteem and in recognition of his outstanding service and leadership.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DEFENCE
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VITAL

For a guard around your grounds and buildings, always on the job . . . for an unscalable wall of steel, yet one that won't impede the vision . . . for fire-proof, unbreakable, self-maintaining protection—get Frost Chain Link Fence.

Available in various heights and gauges to suit industrial, institutional and residential properties. See your Frost Fence dealer or check with your nearest Frost Steel office.

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What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Keeps Trousers On

Grooved, bevelled bars keep trousers from sliding off new all-purpose hanger. Swivel socket allows use any position. Holds at least three pairs trousers, jacket, vest, ties, belts; saves space, usable in home, auto. Nonrusting, for drying clothing, says U. S. maker.

* * *

Plastic Curtain Saver

Plastic "Nifty Nib" for ends of curtain rods saves curtains from tearing when threading rod, says Canadian distributor. Fits on end of curtain rod. Bright colors. Fits practically all rods, including round or spiral spring; also good for threading tapes, ribbons, drawstrings.

* * *

Airtight Canister

Air-, odor- and liquid-tight cover, pouring outlet features new 50-oz. canister of flexible, nonbreakable Bakelite polyethylene fo. household purposes. Auxiliary spout allows limited exposure contents to air, says maker, recommends for storage of 48-oz. fruit juice can, cocktail shaker, vegetables.

* * *

Stainless Steel Powder

New stainless steel powders as compactible as other iron, steel powders, claims U. S. metal firm. Believes big step in development of powder metallurgy.

* * *

New Fat Fryer

Unique kettle design claimed for new commercial deep fat fryer, marketed by Canadian firm. Two temperature zones: top cooking zone can be 350 deg. F. while bottom oils still solid, preventing particles which sink from scorching, spoiling flavor. Kettle insulated. Claim high speed from 50,000 Btu. gas burner with automatic safety shutoff, gas economy, longer use of oils, accurate temperature control, fast recovery of heat on loading.

* * *

Helps Boats Slide

Easy ship launching claimed with new Socony-Vacuum base coat launching grease. Melted, poured on ways ⅜-in. deep, ironed smooth between wooden strips to keep on ways, 20 days before launching. Then apply special slip coat just before ceremony.

* * *

Lightweight Pump

Reduction of 50% in weight related to capacity claimed for new self-starting centrifugal pump. Rated at 15,000 gal. hr., powered by 5-hp. gasoline engine, has nonclogging impeller, kickproof automatic rewind starter, rainproof ignition, automatic governor efficient at all loads, says California seller. Lubricated by oil added to fuel; can use extra fuel tank; mounts on spring base; carrying handle.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

* * *

Speedy Steel Hardener

Speed and effectiveness at relatively low temperatures said advantage of new "Hard-N-Deep" steel hardening compound. Penetrates surface of part being hardened, produces carbonizing, nitriding and chromizing, maker says. Can be used with standard shop equipment. Part is heated cherry-red, dipped in compound, reheated, quenched. Low cost claimed. Comes in cans, drums.

* * *

No Grass On Boat

New "Trade Winds" anti-fouling paint prevents sea and fresh water marine grass on boat bottoms, claims New York company. Bright red, green, said to stop barnacles, borers, annelids, algae, etc. Easy to apply to new, old surfaces.

* * *

Panes Are Inside Job

New "Turn-A-Window" kit alters any double-hung windows using sash weights so both sides may be cleaned safely from inside building. Bottom section of inside stop and parting strip on each side of window casing are cut away, joined by metal conversion strip, and screwed back in place. When joined section taken away, either sash can lower, swing inside the room.

* * *

Auto Arm Rest

Portable metal arm rest supports arm of driver or passengers on long auto trips. Adjustable to different makes car.

* * *

Warehouse Aid

For pallet stacking where no room for larger machinery, special "Spacemaker" tiering truck for warehouses handles work at right angles from six-foot aisle; box-type skids can be right-angle tiered from five-foot aisle, fits in small elevators, says U. S. maker. In three models: platform-type for tiering skids, fork-type for single-face pallets, straddle-type for two-face pallets.

* * *

Blitzes Tree Pests

"EPN," new du Pont insecticide, combats mites, enemies of fruit orchards. Tests show unusually low toxicity to warm-blooded animals, says company.

* * *

Low-Cost Plasticizer

New General Electric plasticizer features low-cost, said to resist weather, light, heat; for use in compounding certain types lacquer, synthetic rubbers.

* * *

Mechanical Hod

New British brick stacker lifts 3,000 bricks an hour to 16-ft. scaffold, moves bricks from stack to work. Consists of steel box with steel-lattice jib attaching to mechanical shovel which moves box for loading, unloading bricks, concrete blocks, tiles, timber.

* * *

Coin Times Skier

Skier puts coin in automatic timer at hilltop, timer prints his time when he crosses finish line. For amateurs, say Vermont inventors.

* * *

Self-Sterilizing Dryer

Self sterilizing commercial hair dryer in U. S. tilts back after each time used, ultra-violet lamp turns on automatically till next customer.

* * *

Aluminum Coat

Finish for aluminum, said corrosion-resistant, coats metal with light bronze-colored coat in 10-sec immersion. Named "Iridite Alcote" by Baltimore maker.

* * *

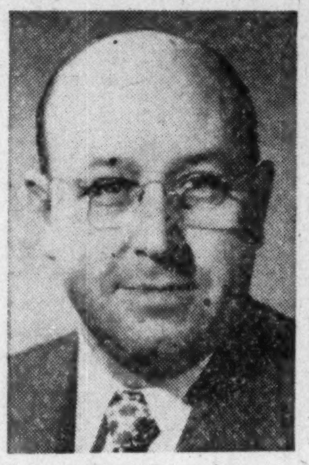
Line Marker

Low-cost operation claimed for new line marker for straight, curved, skip or continuous lines in parking lots, garages, factories, etc. Visible flow cuts paint waste, does lines 3 ⅞-in. wide, uses traffic- or line-marking paint, cleaned easily, says U. S. maker.

* * *

Battery Tester

New battery cell tester shows condition of six-volt battery instantly, says Philadelphia firm. Special light illuminates easy-read dial, dims if cell low, goes out if dead. Lightweight, said to adjust to terminal spread of any battery.



H. A. SANDISON

has been appointed national advertising manager for "Class A" weeklies of Canada.

COMPANY REPORTS

SIMPSONS LTD. net profit of $4,493,666 for the year ended Jan. 4, 1950 was 4.92% above the previous year's $4,281,761. Lower provision for inventory value depreciation and reduced income taxes were partly offset by higher interest charges on funded debt, increased depreciation on fixed assets and a special write-off for the year's financing arrangements.

Capital assets increased by $3,813,765. Important additions were made to mail order and retail facilities in Regina, Halifax and Toronto.

Company issued $5,500,000 more secured term notes to provide for increased volume of customers' installment account and an additional $3,750,000 of 4½% cumulative redeemable preferred shares.

CONS. INCOME ACCOUNT

Periods Ended:	Jan. 4 1950	Jan. 5 1949
Net earnings§	$10,834,270	$10,973,014
Less: Debt. int.	735,995	617,787
Deprec. reserve	1,385,179	1,128,466
Finan. exp. w/o	293,430	......
Tax reserve	3,576,000	3,745,000
Inventory res.	350,000	1,200,000
Net profit	4,493,666	4,281,761
Less: Pref. divds.	632,855	506,281
Cl. A & B divds.	1,440,000	1,080,000
Surplus for year	2,420,811	2,695,480

§After employees' pension and profit-sharing fund of $1,275,731 in 1950 and $1,185,435 in 1949.

Times Bond and Note Interest Earned:		
Before deprec.	14.72	17.76
After deprec.	12.84	15.94
Earnings per Share and Dividend Record:		
Preferred	$29.96	$38.06
Paid	4.50	4.50
Cl. A & B comb.	5.36	5.24
Cl. A & B paid	2.00	1.50

CONDENSED CONS. BALANCE SHEET

As at:	Jan. 4 1950	Jan. 5 1949
Cash & Dom. bds.	$570,584	$489,230
Accts. rec.	25,385,370	19,632,968
Inventories	24,801,023	20,839,039
Total curr. assets	50,756,977	40,961,237
Shs. in other cos.	533,652	533,652
Misc. assets▲	7,191,280	6,839,676
Fixed assets	41,737,722	37,923,957
Total assets	100,219,631	86,258,522
Bank loans	3,986,163	2,840,648
Accts., tax., etc., pay.	18,143,686	17,979,275
Bonds & notes due	2,150,000	650,000
Total curr. liab.	24,279,849	21,469,923
General res.	3,000,000	2,000,000
Deprec. res.	15,493,691	14,213,320
Inventory res.	2,750,000	2,400,000
Funded debt	25,250,000	21,900,000
Capital stock	20,061,314	16,311,314
Surplus▲	†9,384,777	†7,963,965
▲Incl. ref. EPT	2,231,973	2,295,052

†After transferring $1,000,000 to general reserve in 1949 and 1950.

Working capital	26,477,128	19,491,314

DEBENTURES & SECURITIES CORP. OF CANADA net profit of $93,391 for 1949 was 37.6% above the 1948 net of $67,871.

Changes in the portfolio resulted in a net gain of $102,057 which amount has been credited to capital surplus, which now stands at $419,374, H. R. Jackson, president, stated.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Inc. from invests.	$111,644	$84,795
Less: Expenses	17,174	16,284
Loan interest	1,079	598
Taxes	......	42
Net profit	93,391	67,871
Less: Pref. divds.	9,500	9,500
Com. divds.	65,190	21,730
Surplus for year	18,701	36,641
Earnings per Share and Dividend Record:		
Pref.: Earned	$49.15	$35.72
Paid	5.00	5.00
Com.: Earned†	19.30	13.43
Paid	15.00	5.00

†Shares held by public.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$47,806	$35,112
Investments♦	1,262,210	1,074,068
Total assets	1,310,016	1,109,180
Bank advances	80,000	......
Sundry liabs.	2,082	2,004
Pref. div. pay.	4,750	4,750
Com. div. pay.	21,730	21,730
Capital stock*	624,600	624,600
Capital surplus▲	419,375	317,317
Earned surplus	157,479	138,779
♦Market value	1,467,265	1,411,013

▲Represents net profit on changes in investments. *Held by public.

Magazines reach people who buy the most ... from coast to coast

In each one of Canada's five economic-geographical regions, the Magazines of Canada reach your best prospects.

The Advertising Research Foundation's AUDIENCE STUDY reveals that 45% of people in the Maritimes, 38% in Quebec, 48% in Ontario, 50% in the Prairie Provinces and 50% in British Columbia, read one or more Canadian magazines.

This coast-to-coast magazine audience includes 67% of people in the Class A income group, 50% of those in Class B, 44% in Class C, and 27% in Class D. It comprises a vast national **market** . . . both French and English-speaking made up of hundreds of **local** markets of the people who buy the most.

Sell the Magazine Audience . . . and you sell Canada!

Consult the AUDIENCE STUDY of 11 Magazines in Canada, produced by the Canadian Advertising Research Foundation, under the auspices of the A.C.A. and the C.A.A.A.

THE MAGAZINES OF CANADA

NATIONAL in coverage ... LOCAL in effect!

THE MAGAZINE ADVERTISING BUREAU OF CANADA, 137 WELLINGTON STREET WEST, TORONTO

"We'll have to cut down on heat costs by using DUNHAM Vari-Vac* DIFFERENTIAL HEATING!"

With rising prices for all types of fuel, many executives are beginning to check closely on heating costs. And Dunham "Vari-Vac" Differential Heating is the answer to their problems. With this system there's no waste of heat. Heat is controlled to meet the demand, and dollars that formerly went out through the windows soon pay the cost of conversion.

*Variable Vacuum

Consult your heating engineer or write us direct.

DUNHAM

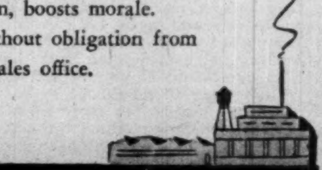
HEATING MEANS BETTER HEATING

"Murphy" means a better industrial paint job!

Whatever your needs in industrial finishes, "Murphy" can fill the bill with a good looking, long wearing product exactly suited to that particular purpose.

For the product you make — to give it surface protection, eye-catching colour, added sales appeal. For your plant interior and machinery, we offer Murphy *Color Dynamics*, the new science of colour application that improves lighting, reduces accident hazard, cut absenteeism, boosts morale.

Get the whole story, without obligation from our nearest sales office.



The Murphy Paint Company Limited
HEAD SALES OFFICE 2740 ST. PATRICK STREET
MONTREAL · CANADA
FACTORIES · MONTREAL, TORONTO, WINDSOR, VANCOUVER · BRANCHES FROM COAST TO COAST

Cartage Company Fined in Accident

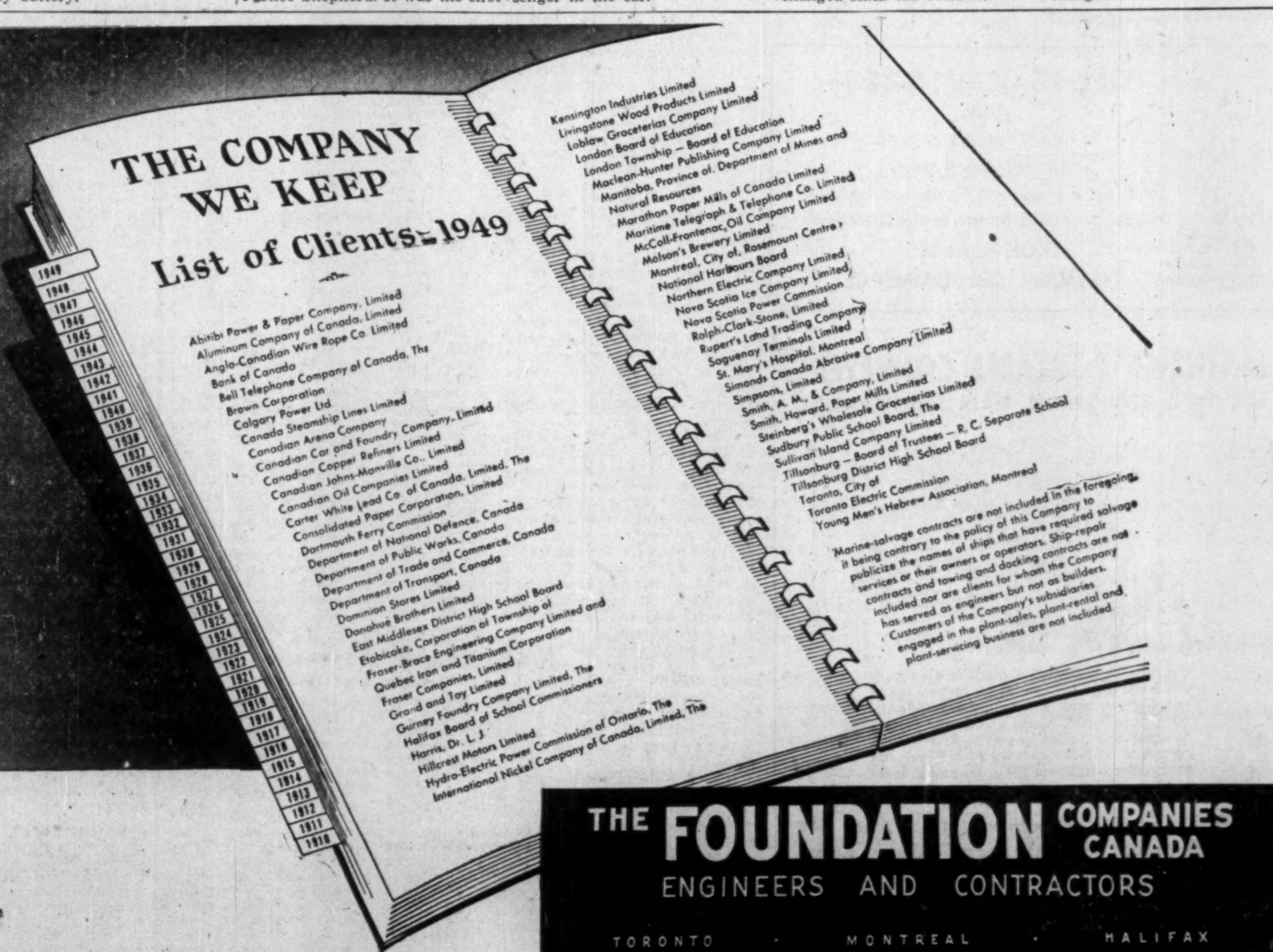
EDMONTON—Western Cartage & Storage, Ltd., of Edmonton, has been found guilty in supreme criminal court here under the Criminal Code of gross negligence and assessed a fine of $500 by Mr. Justice Shepherd. It was the first instance in court memory, in which a company was charged.

The company is owner of a truck involved in a fatal accident in Edmonton, Oct. 25. The pole trailer from one of its trailer trucks became unfastened and the steel pole pierced a passing car, killing 15-year-old Norman Zaft, of Golden Spike, a passenger in the car.

An original charge of manslaughter against the driver of the truck was withdrawn and the criminal negligence charge against the company substituted.

At the trial, evidence was that the trailer hitch was not in conformance with provincial laws. It was admitted by a company official that the hitch has been changed since the accident.

JOURNAL PUBLISHING CO. OF OTTAWA directors advise that, to eliminate special meetings to declare dividends, quarterly dividends will be declared at regular directors' meetings, now held on the 3rd Wednesday of each month and the record date of closing transfer books will be changed to the last day of each month, i.e., March 31, June 30, September 30 and December 31. The payment date will remain unchanged.



THE FOUNDATION COMPANIES CANADA
ENGINEERS AND CONTRACTORS
TORONTO · MONTREAL · HALIFAX

The Financial Post

Vol. XLIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, March 4, 1950 | Fifteen Cents an Issue, Five Dollars a Year | No. 9

Newfoundland's Anniversary Problems

Trade Hard Hit, Seeks New Ottawa Aid After First Year in Union

By RUPERT JACKSON

ST. JOHN'S—How does the immediate future look for Newfoundland as she draws to the close of her first year as a province of Canada—and what can it mean to the rest of Canada?

The island has some pressing problems to lay on Ottawa's doorstep. For more than any other province she is being severely hit by trade difficulties springing from the dollar shortage in Britain and Europe: major markets for her three big industries—fisheries, minerals, newsprint — have always been in the sterling area.

The outlook then is far from bright at the moment and it's the opinion of many businessmen, that were it not for the fact that Newfoundland is now in Confederation the island would be very near a depression equal to those of 1921 and 1932; that the only thing keeping the island on her feet is the money being poured in by the Federal Government in social security payments, tax rental agreements, transitional grants, etc.

Here's the picture as matters now stand.

Fish exporters are having difficulty in selling salt fish to sterling area markets which previously took 40% of Newfoundland's production.

And because of loss of markets due to devaluation of the pound last year, the Dosco-owned iron ore mines on Bell Island have been forced to curtail operations.

Two mines have already closed; and unless markets are opened soon there is the bleak prospect that the other two mines will go on short time. One is now on a double shift five days a week; the other on a single shift. Of the 2,000 mineworkers, 1,000 are now idle.

Bell Island two months ago was a thriving, busy town, but now the miners speak only of layoffs and depression. Housewives are cutting their budgets with an eye on the future when unemployment insurance cheques may be the only income.

Of course, as with everything else connected with Europe's dollar shortage, the scene could change overnight if Britain again began to buy her normal 50% of Bell Island's production.

Aid May Be Coming

Aid may be in sight. One possibility now under active consideration in Britain and Canada is a scheme for bartering Wabana iron ore for Welsh anthracite. Britain is most anxious to substantially increase her sales of anthracite to Canada but so far has found it difficult to arrange a suitable return cargo which would make the proposition economical and profitable. Wabana ore might well prove to be the answer and the financial angles are now being studied.

In fish some difficulty is being experienced in selling salt codfish to Europe. Spain, Italy, Greece, etc., all want to buy Newfoundland fish, but finding the dollars is the problem.

Helping out in this connection has been Marshall Plan funds going into Europe, and the Federal Government is also keeping a close eye on the situation.

Some help also has been forthcoming from recent negotiations in Spain and Portugal. On his return last week end from visits to these countries Fisheries Board Chairman Raymond Gushue announced a deal with Spain for salt codfish and said talks were proceeding in Portugal.

An important delegation is expected to leave shortly for Ottawa to review the whole problem with the Federal Government. There is no doubt that some support will be asked and required to underwrite markets that cannot pay in dollars and which have been made possible up till now only by the arrangements whereby Britain accepted sterling and allowed Newfoundland dollars against a reduction of her indebetedness to U.K.

Importance of Salt Codfish

It can be said that the salt codfish industry supports the entire economy of Newfoundland, and if the product of that industry cannot be sold, the economy of the entire province is hard hit, and no one in Newfoundland can do anything about it.

For that reason businessmen and government officials here confidently expect that Ottawa will have to step into the picture with some method of support.

The slowness with which fish is presently moving out of Newfoundland may in itself have a detrimental effect on next season. As has been pointed out here:

"The one big current problem is the effect of deferred shipments on the liquidation of long-standing credit accounts. Many small holders of fish are feeling the pinch and the general volume of trade is slowed down by the slowness with which holdings of fish are being converted into cash. This means also that there may be much hesitation about supply for the new season unless the future is clearly delineated since there may be a reluctance on the part of the suppliers to give credit to producers and of wholesalers to give extended credit to small suppliers."

(Newfoundland's fishery industries for centuries have been run on a credit system, whereby wholesalers sell to the outport merchants on credit, and these in turn supply the fishermen on credit. Bills are all paid off at the end of the season when the fish is finally sold.)

Troubles in Newsprint

Newsprint too is having its troubles. Anglo-Newfoundland Development Co. lost some of its sterling area markets on devaluation, and production costs have reduced sales of sulphite for both A.N.D. and Bowaters (Newfoundland) Pulp and Paper Mills Ltd.

In addition, both companies have reduced their cut of wood and so reduced employment in their wood camps. Britain's decision to cancel her 1950 newsprint contract with Canada has affected Newfoundland mills more directly than perhaps any other part of the newsprint industry.

That doesn't end the black side of the picture. Because of failure in the fishery in some sections, the reduction of workers in the woods, a layoff of civilian workers at the American military bases and the curtailment of operations on Bell Island, the province is having to cope with a major unemployment problem.

Some 5,000 men are now engaged in a "work-instead-of-dole" scheme; building roads and bridges in various parts of the island, constructing breakwaters and wharves, and several other projects, and it may be that this number will be increased before the fishing season opens again.

Secondary Industries Hard Hit

Finally, there are the secondary industries. Employing 3,000 people and turning over some $23 millions annually, small manufacturing concerns here are having extreme difficulty in competing with products from the mainland.

Five manufacturers—in boots and shoes; factory clothing; underwear; mattresses (in St. John's) and paper bags (in Harbor Brace)—have already been forced out of business, costing 200 men their jobs. Three other firms are reported on the borderline of closing down.

The trouble here is that all raw materials are imported. Because of this and low production volume plus the high cost of distribution in an island where transport is meagre and expensive, prices of end products are way above prices on similar products from the mainland.

Local firms just can't compete. In the past they were protected from this by tariffs, but when these were removed by union, mainland goods flooded into the island. Many secondary manufacturers now have serious doubts about the future.

What are the bright spots?

First of all, the Federal Government is pouring something like $26 millions annually into Newfoundland, and in reality that's all new money. To be sure, some of it is taxes paid by Newfoundlanders coming back to the province, but the Federal Government is putting more into the island than it is taking out.

Biggest items are the social security payments. In many cases family allowance payments are doubling the fisherman's income. Old age pensions have been increased from $12 per quarter to $40 per month. Unemployment insurance was unheard of before union. There are pensions for the blind, and $1 million annually in Federal health grants to aid Newfoundland's overworked health plan.

So far as the fisherman is concerned he gets all these things for nothing, for it's very rare for a fisherman to earn enough in the average year to put him in any tax bracket.

More Social Security

The provincial government, too, is going in for social security. There's the Mothers' and Dependents' Allowances Act under which $20 to $60 a month goes to needy mothers. Coming up is a fisherman's insurance scheme paying $2,000 in the event of death on the fishing grounds, for a token premium.

This latter welfare measure has long been in the minds of governments of Newfoundland, but apparently the cost has always been prohibitive.

To pay for these measures a new tax is to be levied, beginning with the next fiscal year. A Social Security Assessment of 3% based on retail sales goes on all goods except those essential to the primary producer: lines and twines, fishing gear, farm equipment, etc.

These social security payments have had a marked effect on life in Newfoundland's remote outports. Children are better clothed and better fed since union. Old people are living better, and the whole family has benefited. Through social security payments incomes have been increased considerably.

The cost of living has dropped, too, has shown a steady decline since the island joined confederation.

The drop, however, is nowhere near what it was expected to be. Most thought that when tariff walls between Newfoundland and Canada were removed costs would drop 50%. It hasn't happened and many wondered why. Premier J. R. Smallwood appointed a Royal Commission, headed by Frank Grisdale of the Wartime Prices and Trade Board, to look into the matter. The Commission's findings have not yet been published.

Emphasis on Development

Another bright spot is the emphasis the Provincial Government is putting on development.

A program of modernization in fishing methods is slowly getting under way. Icelandic trawlers have been engaged to demonstrate Icelandic methods. A Nova Scotian "Long Liner" has been obtained to try out this method in Newfoundland waters. An official of the Department of Natural Resources is now in Iceland seeing how things are done there. He will travel on to Norway and Denmark.

A full-scale economic survey of Newfoundland's resources is under way, in an effort to find new resources and develop them, bringing new industry to the province. Experiments are being carried out in agriculture, with emphasis on sheep raising. Hidden resources of water power, almost completely neglected in the past, are being investigated.

Tourist trade is due for a shot in the arm. D. Leo Dolan, the Federal Government's director of tourist and travel promotion, has been loaned to Newfoundland to see what can be done to pep up the island's tourist industry.

Then there's the interest being shown in Newfoundland development by International Basic Economy Corp. a Rockefeller enterprise which has stated that if its survey of the province should uncover any promising channel of development it has the capital to set up new industries. The corporation has been responsible for a number of major developments in Latin America ranging all the way from agriculture to fishing, food distribution and transportation.

Backing up all this is the promise of the Federal Government that should the Newfoundland Government institute an economic survey with a view to determining what resources may profitably be developed and what new industries established or existing industries expanded, the Government of Canada will make available the services of its technical employees and agencies to assist in the work.

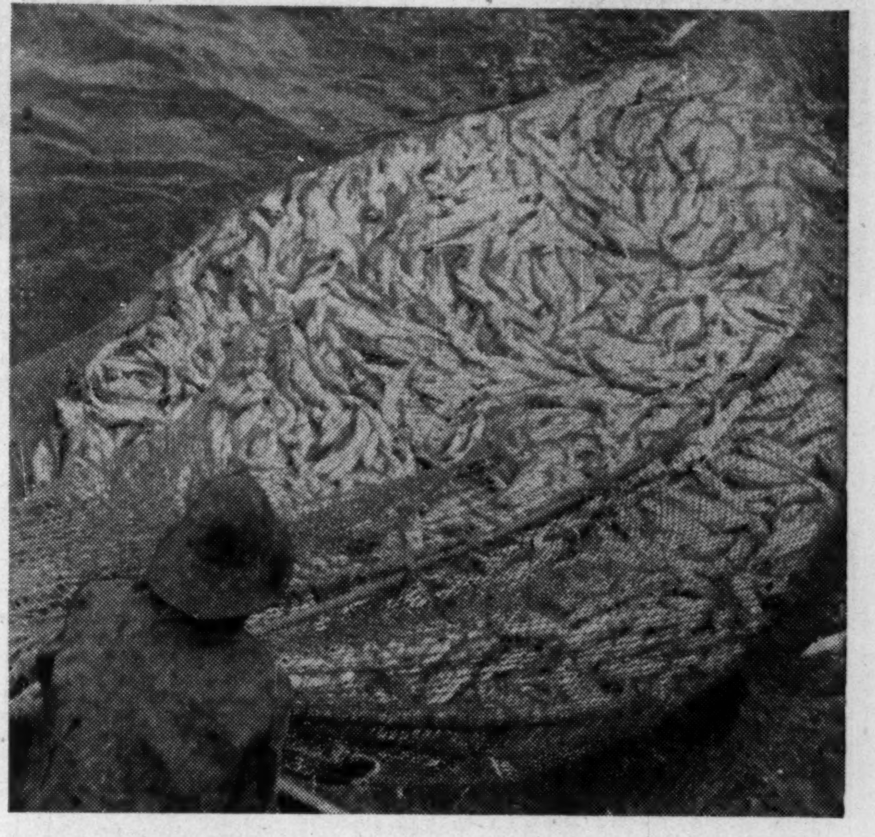
Lack of statistics on Newfoundland has long been a stumbling block in the development of the province, and here again the Federal Government has stepped in: "As soon as may be practicable . . . the Government of Canada will make a special effort to collect and make available statistical and scientific data about the natural resources and economy of the province of Newfoundland.

Action has already been taken on both these promises. The Dominion Bureau of Statistics is already working overtime gathering facts and figures on Newfoundland, and other federal departments, notably Fisheries, Mines and Health, are already rendering valuable assistance to the Newfoundland Government.

Finally, there is the great promise of Labrador. Starting this year the "Land God gave to Cain" will be opened up, enabling survey parties to get into the previously unexplored wasteland, perhaps to find hitherto unknown sources of timber and waterpower and minerals.

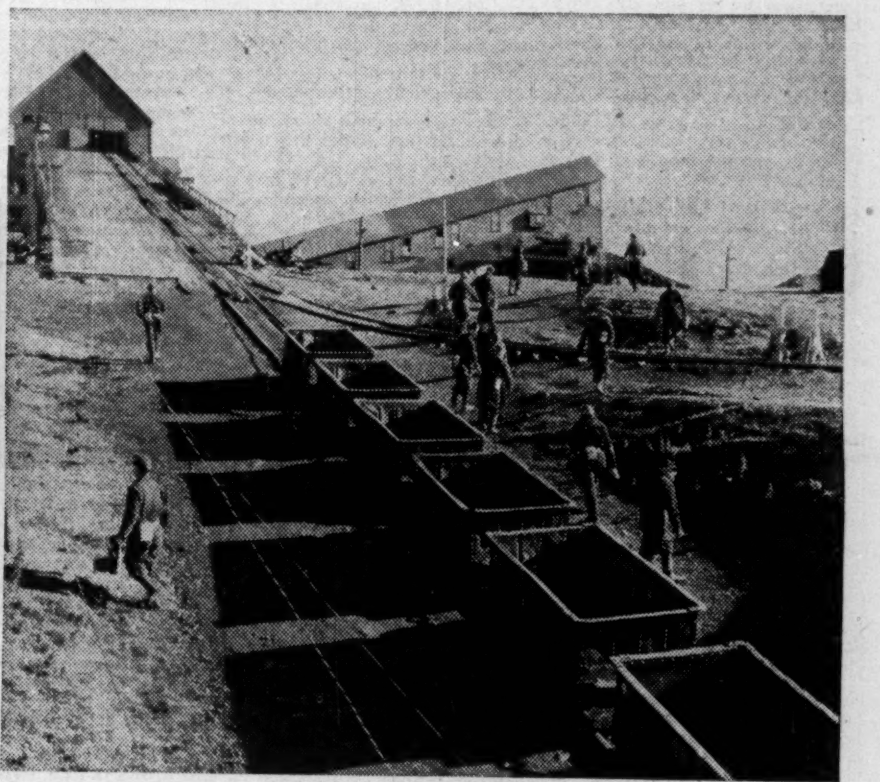
They haven't been confirmed but there are reports of gold, more iron, titanium and uranium buried in the bleak northern territory. A new era may be opened for the area which Newfoundland once thought to be a white elephant, valuable only for the fish swimming in the cold waters off its rugged coastline.

What's Ahead for Newfoundland? . . .



IN FISHERIES: Sterling area normally takes 40% of Newfoundland's salt fish production but markets are difficult this year because of continuing dollar shortage. Province looks to Ottawa for some method of support.

IN FOREST INDUSTRIES: Sterling area cut buying of newsprint with devaluation; cancellation of 1950 British contract had severe impact. High production costs have cut sulphite sales. Companies have reduced wood cut, so reducing employment in woods camps.



IN MINING: Devaluation of the pound sterling hits hard at Bell Island iron ore industry. Britain formerly took 50% of mine's production but has now drastically cut her purchases. Two mines have closed down; others have cut production; 1,000 mineworkers are now idle.

LONDON CALLING—*By Adelphi*

Will Next U.K. Election Crack Last Week's Stalemate?

Vote Reveals Britain Now a Nation Dangerously Divided

What's ahead for Britain following last week's stalemate election vote? Is a split in sight in the Labor party ranks? What does the vote show? Here's a special report by Adelphi, The Post's London correspondent. It takes the place of his regular column.

LONDON — The best comment on the general election that I have heard or seen came in a daily newspaper's cartoon two days after the voting. It showed Churchill and Attlee as Cockney barrow boys facing each other and engaged in the following dialogue:

Churchill: "Well, wot abaht it?"
Attlee: "Wot abaht wot?"
Churchill: "Abaht the election."
Attlee: "Well, wot abaht it?" Up to the present time that's as far as any of the politicians have got.

Nobody knows what's going to happen except that Mr. Attlee declares he will carry on, disregarding any defeat that's not a major issue. That sounds all very well but a government that's defeated again and again is like a boxer who is knocked out in every round but says the referee must not give a decision.

Rumors of Labor Dissension

Inevitably there are wild rumors about dissension in the Socialist hierarchy and for once I would think that rumor is not a lying jade.

As you know, Aneurin Bevan did not turn up at the week-end inquest held by the cabinet. With delayed but disarming candor, Mrs. Bevan who, as an M.P., calls herself Miss Jennie Lee, told the press that her husband was suffering from a sickness that would have made his presence an embarrassment and that this was the sole reason he didn't turn up.

Inevitably the wits are at work trying to guess the nature of this unfortunate malady. So far, guesses have gone from halitosis to dandruff and so on through the curriculum of ailments about which a man's best friends hesitate to tell him.

Mystery is added to the matter by the undoubted failure of Mr. Bevan to acquaint the Prime Minister of the sad news that he was not coming. Even an advanced case of dandruff should not prevent the sufferer from telephoning or sending a wire. The truth is, of course, that Bevan is furious at not being asked to broadcast or allowed to take any part of the formation of election strategy.

Eclipse of a Star

Rightly or wrongly — and I think rightly — Herbert Morrison took the view that the Socialists could not win without considerable support from the middle classes and that Bevan's "Vermin" speech had alienated them.

As Bevan is possessed of a highly cerebral temperament the party strategists felt he should be kept in the background while Morrison wooed the middle classes in dulcet tones.

But Bevan was not the only star who was covered with a hood. There was Shinwell too, undoubtedly, brilliant platform orator who made the mistake of saying in a speech that he did not give a tinker's cuss for anyone except the workers.

So Morrison and Attlee decided he too must be kept muzzled. It was rumored during the fight that Bevan and Shinwell got in touch with each other and formulated their tactics but I must remind you that this is no more than a rumor, although it comes from a source not more than 150 miles from the horse's mouth.

The Heavenly Twins were said to have agreed that if the tactics of Attlee and Morrison proved successful and there was a good Socialist majority, Bevan would stay in the Government and work from within for the downfall of Attlee, while Shinwell would openly demand cabinet rank.

If he was given it he also would work from within but if he did not get it he would resign altogether and become a back-bench critic. (Both Bevan and Shinwell are in the cabinet as announced this week by Mr. Attlee. Bevan stays as Health Minister; Shinwell moves up from the nominal position of War Minister to Minister of Defense.)

Rumors of Labor Dissension

Not even the most hidebound Socialist could claim that the Attlee-Morrison tactics did prove successful. They went to the country with a majority of 200; with the unequalled record of not having lost a single by-election in their five years of office; with the welfare state established and with practically no unemployment.

How U.K. Parties Have Lined Up Since 1924

	Cons. (inc. supporters)	Labor	Liberal	Other	Govt.	Maj.x
1924	412	151	40	12	Cons.	209
1929	260	288	59	8	Lab.	No Maj.†
1931	470	52	72	21	Nat.	425*
1935	387	154	54	20	Nat.	247*
1945‡	211	393	11	26	Lab.	145
Today	297	315	9	3	Lab.	6

xMajority over all other parties (except in cases of national government).
†Minority Labor govt. with Liberal support.
*National Government headed by Conservatives.
‡No election in wartime period; from 1940 Labor joined government. Redistribution increased number of seats from 615 to 640 for 1945 election; reduced them to 625 for last week's vote.

Seldom in political history has a party held so many trump cards. Yet they came back not only with their majority reduced to a tiny, awkward squad but as prisoners of the Tories.

Churchill now holds power of life and death over the Government and it would be a miracle if in such circumstances there was no rebellion within the Labor party.

Tragedies for Tories

Even in the conservative party there were individual tragedies. Randolph Churchill suffered his third electoral defeat which, however, is two short of his father's total. Nevertheless, one cannot help but admire the spirit of Randolph's speech to the crowd when Socialist Michael Foot was announced the winner: "Well, you have got what you wanted. It only remains to see whether in six months you will want what you got."

Leslie Hore-Belisha who was such a spectacular political figure between the wars went down to disastrous defeat in a constituency which was regarded as certain for a Tory win. The majority against him was 5,000 and I am very much afraid that for him it is twilight and evening star and after that the dark.

Gwilym Lloyd George also lost his seat after many years of proprietorship but his sister Lady Megan unexpectedly held hers in Wales, although she was regarded by experts as doomed and damned.

Trouble at Lloyd's?

In such a surprise election one can be almost certain of nothing about the future but this much I can confidently predict: there is going to be the very father and mother of a row at Lloyd's. Of all institutions, Lloyd's depends upon free enterprise and therefore its survival is inextricably bound up with the fortunes of the Conservative Party. Yet when the Liberals decided to fling over 400 candidates into the fight and automatically became a vital menace to a Tory victory, Lloyd's, for a premium of £5,000, underwrote Liberal lost deposits of £150 each after the first 50.

Thus in a moment of dementia Lloyd's not only financed the Liberal attack on the Tories but underwrote a risk which would not have been accepted by a half-wit with a cold in his head.

As The Financial Post is read by all principal financiers of Canada I hasten to express my limitless admiration for Bay St. and St. James St., but when it comes to politics I would rather put my trust in a plumber than a tycoon.

However, it is only fair to state that many of Lloyd's underwriters were furious at the time.

Just to close the incident I would remind you that the Liberals forfeited something like 300 deposits which is an all-time record.

Two Nations Electorally

I shall not burden you with prophecy about the future because anything may happen at any moment but I must point out one deeply disturbing feature of the election.

Although the vote was sane, and therefore reassuring, it reveals that politically Britain is becoming two nations. There is complete cleavage between organized Labor on the one side and the middle classes, agriculture and commerce on the other. Geographically, it takes the shape of the North against the South.

It will take tolerance, wisdom and statesmanship if this division is not to become an unbridgeable gap.

How The Popular Vote Went

Here's a breakdown of the popular vote in last week's British election compared with the vote in 1945:

	1950	1945
Labor	13,314,941	11,922,292
Cons and supporters	12,489,518	9,968,020
Liberals	2,659,335	2,239,668
Communist	91,746	102,780
Others	303,355	782,563
Total vote	28,858,895	25,015,323
Eligible electors	34,000,000	(approx.)

Tax Foundation Sets Up Seven City Study Groups

The Canadian Tax Foundation is setting up a number of study groups right across Canada designed to carry out one of the principal objects of the Foundation, the encouragement of the study of tax legislation, W. G. H. Jephcott, chairman of the Board of Governors of the Canadian Tax Foundation told the annual meeting in Toronto. Here is a digest of his report:

The Foundation is setting up a series of study groups in different cities to review problems arising out of current tax legislation and to draft recommendations to be submitted to the tax authorities. At present, the executive committee has invited the formation of seven groups (in addition to a group charged with the study of legislation respecting co-operatives), to consider: —

The new statutory rules and regulations respecting allowances for Depreciation, etc. (Vancouver).

Depletion — whether the law as it now stands allows appropriate deductions for timber limits and oil wells, as well as mines (Edmonton).

Community of income between husband and wife, having regard to experience in the United States (Regina).

Inventory valuations—whether present provisions are satisfactory; and the question of regulations thereunder (Hamilton).

Interest charges — disallowance and limitations (Toronto).

Distribution of corporate surpluses, dealing first with forced distributions under Section 9 (6) and the relative procedure (Montreal).

Appellate procedures under the Income Tax Act (Halifax).

Organization of these groups marks a logical and necessary extension of activities begun in the Foundation's first year and carried forward at the annual tax conferences. The Foundation's primary function is to undertake and encourage the study of tax legislation in its practical operation, and to make adequately supported recommendations for its improvement.

Subject Under Study

The principal subject of study by the Foundation during the year has been the treatment of corporate profits, and dividends under the Canadian income tax act having regard particularly to the problem of double taxation, the question of undistributed profits and the difficulties of family-owned and closely-held companies.

A review has been undertaken of the operation and practical effect of the legislation respecting taxation of co-operative enterprises introduced four years ago following the recommendations of the Royal Commission on this matter.

A third subject of investigation, closely related to the foregoing, has been the provincial taxation of corporations. This was reported a year ago as already initiated. These are all subjects that have occupied attention at the Foundation's office directly. In addition, the study group on Succession Duties, set up after the second Tax Conference, will be reporting in due course.

Work on the main subject of the Dominion Corporation Tax falls into three parts:

1. We secured during the summer the services of Dr. J. R. Petrie of the University of New Brunswick to undertake an economic analysis of the operation of the Corporation Tax, and of its effects so far as they could be determined.

2. The Director studied the question independently with a view to organizing systematic discussion of its various aspects at our Third Tax Conference, and to produce a memorandum to serve as a basis of such discussion.

3. We have appointed a small advisory committee to assist the Director in drafting a statement of findings and recommendations on the whole question, which will be published as the views of the Foundation, if approved by the Board, based on the Report of the Conference and Dr. Petrie's study.

Reports Being Prepared

We therefore plan three separate publications under this heading:

the Conference Report, in preparation and to be issued in the usual way;

an economic analysis, received from Dr. Petrie which will be published as a book under the Foundation's auspices;

a policy statement by the Foundation, assuming we find general agreement on its recommendations.

Completion of these items will discharge our present undertaking on the treatment of corporation profits under the Income Tax Act.

Two further reports, which will be completed before the Foundation engages in fresh projects of a long-term character, will deal, as stated, with the experience of the present tax legislation respecting co-operatives, and the concurrent operation of Provincial taxes on corporations . . . It was found necessary to give priority to the principal assignment, particularly as these questions have a subsidiary relationship to it. Regarding co-operatives, we need more first-hand evidence of experience to test or support the conclusions formed from documentary study and from such observations as can be made from Toronto.

The material for a report on Provincial Corporation Income Tax Acts has been assembled in draft, but requires amplification and rearrangement to take account of the application of the Dominion Act, particularly as regards the new procedure respecting depreciation. This report will be completed when the Foundation's findings on the question of "double taxation" and related problems have been issued.

Consideration by the Study Group on Succession Duties has reached the stage where a meeting has been arranged with government officers to discuss the conclusions reached thus far as a basis for further work leading to specific recommendations.

In addition to Dr. Petrie's study of the Corporation Income Tax which is to be published, the Foundation is sponsoring the publication of a book on the Canadian Tax System, being written by Harvey Perry of the Department of Finance.

J. ELLIOTT

a director and secretary, The T. Eaton Co. Ltd., Canada, has been appointed treasurer of that company and also a director of The T. Eaton Co. Ltd., Montreal.

THE TOURIST BUSINESS — By WALLACE GILLESPIE

Boosting 'Eats' Native to Each Province; That's New Enticer On Tourist Program

Mexico and tamales, Italy and spaghetti, Denmark and smorgasbord, Canada and . . . what?

The vacant pause indicates that food isn't giving Canada as much tourist advertising as it does certain European countries which, for example, publish colorful "gastronomic" maps to entice the visitor.

Seven women — each professionally engaged in catering to the tourist — are now at work on the problem under the auspices of the Canadian Tourist Association. Their assignment: to seek better and more varied menus to present to Canada's visitors.

Mrs. F. G. Montgomery, managing director of the Canadian Restaurant Association and chairman of the cuisine group, says the first step will be to learn from the consumer (i.e. the American and Canadian traveler) exactly what is attractive or unattractive about Canada cuisine today.

To sample reaction, co-operation of the Canadian Automobile Association, Shell Touring Bureau, and Canada Steamship Lines has been sought. These organizations, among others, distribute "comment cards" to tourists. In future, these cards will include a question or two about Canadian cuisine standards. The resultant comments will eventually reach the new Canadian Cuisine Committee, and serve as a guide to future action.

Distinctive regional dishes are a natural task for the committee, but for the present it isn't going about the job of selecting and labelling. Much more important, the committee felt at its initial meeting, was the question of availability. Too often it is possible for a traveller to drive through ripened fruit in the Niagara Peninsula, then stop at a small town and discover the menu of the local eatery doesn't even mention this scenically advertised merchandise. Down on the East Coast, it is also reported, the traveller may sometimes find difficulty in locating a cafe which serves the fish and seafood which is being caught out in the bay.

It was suggested that government co-operation be sought to retain sufficient regional products in their immediate environs for use of caterers in the areas — particularly during the tourist season.

Eating establishments, it is proposed, will receive a recommended list of recipe books (Ontario Department of Travel and Publicity is already at work on such a scheme in that province).

Eventually, it is proposed to establish Provincial Cuisine Committees in each province. Main function of such committees would be to apply as closely to the "local level" as possible the cuisine policy of the Canadian Tourist Association.

Placed on the Canadian Cuisine Committee's agenda for future action are these suggestions:

a. Ways of encouraging resort operators to provide facilities for between-meal snacks, as well as offering wider choice of food on menus.

b. Placing in the hands of all who serve meals information on the need for good employee-employer relations as the No. 1 prerequisite for good public relations; an efficient layout of equipment to provide the best services possible, adequate facilities to meet requirements of health and sanitation regulations; and interesting and colorful menus. It was urged that special attention be given to the need for food for children.

* * *

1949 Peak in Numbers— What About Spending?

Fair indication of "how many" U. S. tourists came to Canada last year—though not a reliable guide as to "how much" their business was worth—is the fact that 9% more traveller's vehicle permits were issued in 1949 than in 1948. This was a new record.

The permits are issued to motorists planning to stay in Canada more than 48 hours or to leave Canada at a point other than that of entry. Because the bulk of our tourist business comes in "on rubber" and because the over-48 hour visitor is the mainstay of the trade, the issuance of T.V.P.'s is a significant indicator.

During 1949, permits were issued to 1,991,000 motorists. This compares with 1,823,988 in 1948, or with 1,663,853 in 1947. Greatest relative increases were recorded in the Maritimes and the Prairie Provinces.

Whether or not average spending per tourist has held firm, in view of scattered reports that our visitors were "more choosey" last year, will be estimated in a few days when Dominion Bureau of Statistics publishes its report on 1949 tourist volume. Latest indications are a small increase over 1948, though still shy of the $300 millions which had been hoped for early in the season.

Meanwhile, the Canadian Government Travel Bureau, which is now a branch of the newly-established Department of Resources and Development, reports an all-time record in the number of requests for travel information about Canada.

In 1949, the Bureau handled 321,751 written requests for information, an increase of nearly 17% over 1948. It distributed nearly two million pieces of its own printed matter, as well as 138,000 publications produced by other federal, provincial, and private tourist organizations.

* * *

Beckon Honeymooners To Build June Travel?

With 12.4% of U. S. marriages taking place in June, one method of encouraging early-season travel to Canada may be to beckon honeymooners specifically. The suggestion comes from a committee which was assigned by the Canadian Tourist Association to watch travel trends in the important U. S. market. It reports that June is already coming up as a travel month there, and wonders why more travel advertising isn't cued to the honeymoon trip. Here is when the weddings take place:

Jan.	7.5%	July	8.1%
Feb.	5.6%	Aug.	10.2%
March	7.4%	Sept.	9.3%
April	8.1%	Oct.	7.9%
May	9.1%	Nov.	7.6%
June	12.4%	Dec.	6.8%

Sizing up the American travel scene, the committee predicts repeal of the 15% U. S. transportation tax by mid-year, a move which will bring loud hurrahs from the domestic travel industry. From a Canadian standpoint, the committee sees favorable factors in the 351% increase in American spending on fishing equipment since 1939, and from evidence that the travel habit is spreading to all classes of Americans including small town people.

But, competition is increasing also. Foreign governments now have 46 travel-soliciting bureaus in New York City, a recent addition being the British East Africa Travel Association. Still another bureau is expected soon. Mexico is loosening purse strings to allow for more advertising in U. S. to attract tourists.

* * *

Travel Briefs

It's too late now, ski authorities say, to recoup all the losses which Eastern Canada winter resort operators have taken from snowless slopes.

Even if good skiing conditions remain until late March, the best hoped for is a 50% season, a government source estimates.

* * *

Trans-Canada Airlines is pioneering a form of installment plan buying in the air travel field. Exclusive to Canada at the moment, Air Travel Scrip Certificates are issued in denominations of $10 each at all TCA ticket offices in Canada. When accumulated and applied to the purchase of an air ticket, over any of the airline's routes, the investment in certificates pays an interest rate of 2%. They can also be honored for cash at face value, with no interest added.

COMPANY REPORTS

DUNLOP TIRE & RUBBER GOODS CO. LTD. reports a net loss of $176,415 for 1949 compared with a net profit of $244,530 in 1948. A two months strike occurred at a time when higher operating costs and highly competitive selling practices had already reduced some divisions of the company to marginal profit levels. Although prices of some products had increased by December, higher operating costs practically absorbed any benefit. Sales were down 15% from 1948.

Depreciation at $301,000 was down $71,000 from the previous year as some assets had become fully depreciated and some which had been charged double depreciation rates the year before were put on normal rates.

Lower sales and production during the latter part of the year resulted in lower inventories and accounts receivable. Efforts are being made to keep inventories as low as possible consistent with sales volume.

Capital expenditures amounted to $421,000, one of the largest being in connection with the manufacture of square cut elastic thread under the newly developed Andal process.

Sales of Canadian Lastex Ltd. in which the company holds a 50% interest and of Itarco Ltd., a wholly owned subsidiary, were satisfactory, it is stated.

Participation in the field of replacement tires has been widened by the steadily increasing importation of British cars and trucks, nearly all of which are equipped with Dunlop tires, company states.

Although domestic demand was high, devaluation and dollar shortages have stopped many countries from purchasing Canadian rubber goods. This has created surplus capacity in the industry which has already resulted in stiffer competition for the available domestic business, President J. I. Simpson stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$40,159	$770,711
Less: Depreciation	300,574	372,181
Prov. for taxes	‡84,000	154,000
Net loss	176,415	•244,530
Less: Pref. divds.	41,184	41,184
Common divds.	......	70,960
Deficit	217,599	•132,386

•Net profit or surplus.
‡Credit.

Earnings per Share and Dividend Record:		
5% Preferred	d85.35	$7.42
Paid	1.25	1.25
Common	d3.83	3.58
Paid	......	1.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$269,194	$241,333
Accts. rec.	881,556	1,396,783
Inventories	3,516,685	4,150,239
Total curr. assets	4,667,435	5,788,355
Misc. assets‡	155,665	173,089
Can. Lastex Ltd.	100,000	75,000
Itarco Ltd.	800	800
Fixed assets	6,594,488	6,305,543
Goodwill, etc.	941,205	941,205
Total assets	12,459,593	13,283,992
Bank loans	700,000	1,400,000
Accts., taxes pay.	840,053	977,350
Total curr. liab.	1,540,053	2,377,350
Deferred liabs.	68,453	66,591
Depreciation res.	4,111,568	3,907,933
General res.	275,000	275,000
Capital stock	4,797,435	4,797,435
Surplus	1,667,084	1,859,683
‡Incl. ref. EPT	20,536	120,547
Working capital	3,127,382	3,411,005

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NORTH WEST BREWING CO. LTD. reports net profit of $153,935 for 1949, 35.87% below the 1948 net of $240,032. A loss was taken on beer dumped at Yellowknife. Shipped in 1947 and subsequently declared unfit for consumption, it had been brewed and bottled prior to installation of new equipment.

Although the total liability to the bank was almost the same as that at the end of 1948, $100,000 was paid on the loan in January, 1950 and a further $50,000 will be repaid shortly, it is stated.

Capital expenditures since 1946 amount to $593,323 and it is expected that they will not exceed $50,000 in 1950, when a new condensing unit will be installed, the new malt mill put into operation and new steel hot water and washing compound tanks purchased. In 1949, the new bottle shop was put into operation, five wooden fermenting tanks purchased, three of which are in operation and the front and roof of the office building renovated and remodelled.

New depreciation regulations resulted in much larger transfers to the reserves for depreciation with a corresponding reduction of profits, H. M. Martin, president, stated.

A brand popular before the war, Bohemian Maid Beer, put on the market in September, has enjoyed an "encouraging reception."

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net sales	$1,458,587	$1,2[illegible],571
Net earnings	349,347	395,506
Less: Deprec.	103,687	26,180
Taxes	91,725	129,294
Net profit	153,935	240,032
Less: Divids. paid	171,000	126,000
Surplus for year	•17,065	114,032

•Deficit.

Earnings per Share and Dividend Record:		
Common	$0.86	$1.33
Paid	†0.75 + 0.20	0.70

†Includes 0.15 + 0.10 payable Jan. 11, 1950.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$100	$100
Accts., etc., rec.	151,139	135,005
Inventories	218,357	182,069
Total curr. assets	369,596	317,174
Misc. assets‡	138,908	168,243
Investments	27,429	29,840
Fixed assets†	875,529	873,226
Goodwill	357,814	357,814
Total assets	1,769,276	1,746,297
Bank loan	340,832	40,996
Accts. & tax. pay.	116,616	375,490
Total curr. liab.	457,448	416,486
Capital stock	900,000	900,000
Surplus	411,828	429,811
‡Incl. ref. EPT	110,418	140,991
†After depr. of	317,096	264,761
Conting. Liab.:		
Bank guar.	70,356	93,225
Excess of curr. liabs. over curr. assets	87,852	99,312

CONIAGAS MINES LTD. earned a net profit of $29,449 or 4c a share in 1949 compared with $5,854, 1c a share, in 1948. Main reason for the increase was smaller expenditures in the field. Operations were confined to maintaining properties and prospecting and diamond drilling in Ontario and Quebec, President A. L. Bishop stated.

Annual meeting will be April 5, 1950.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Inc. from invests.	$64,572	$62,250
Prof. on sale of secs.	15,486	10,720
Total revenue	80,058	72,970
Less. Admin. & devl. exp.	50,609	67,116
Net prof. & surp.	29,449	5,854
Earnings per Share	$0.04	$0.01

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$39,870	$48,836
Govt. bonds‡	1,143,295	1,127,208
Accts. rec.	547	387
Other sec.‡	588,812	608,167
Total curr. assets	1,772,524	1,784,598
Fixed assets*	3,348	3,487
Total assets	1,775,872	1,788,085
Total curr. liab.	2,692	4,404
Minority int.	225	225
Capital stock	3,432,540	3,375,220
Deficit	1,659,585	1,791,754

‡Quoted value of marketable sec. exceeded book value by $617,116 at Dec. 31, 1949; $455,613 at Dec. 31, 1948.
*Less depreciation.

Working capital•	1,769,832	1,780,194

•Taking securities at book value.

HOLDEN MANUFACTURING CO. LTD. net profit of $38,193 for 1949 was down 46.69% from the 1948 figure of $71,508. Greater volume of sales was offset by higher costs, promotional work on new lines, expansion of the sporting goods department and increased selling expenses.

Wider distribution was sought to compensate for the lower sales to the lumbering industry due to curtailment of woods cutting operations. Greater business through store trade and other new outlets was promoted and the benefits should increase in subsequent periods, according to President D. A. Baptist.

Improvement of plants, equipment and organization was carried out and more work in this direction is anticipated in 1950.

INCOME ACCOUNT

	12 mos. ended Dec. 31 1949	11 mos. ended Dec. 31 1948
Net earnings	$73,156	$124,699
Less: Deprec.	10,252	9,111
Income tax	24,711	44,080
Net profit	38,193	71,508
Less: Cl. A divds.	18,081	13,561
Cl. B divds.	10,045	5,022
Surplus for year	10,067	52,925
Earnings per Share and Dividend Record:		
Class A†	$1.27	$2.37
Class A‡	0.66	*1.08
Paid	0.60	0.45
Class B†	0.40	*1.06
Class B‡	0.36	*0.78
Paid	0.20	0.10

†Before (‡after) participation.
*Based on full year's divd. requirements.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$392	$12,549
Accts., etc., rec.	325,997	299,420
Investments	1,000	1,000
Inventories	437,593	383,951
Life ins., c.s.v.	2,940	6,366
Total curr. assets	767,922	703,286
Misc. assets	5,365	3,053
Fixed assets*	463,409	461,149
Total assets	1,236,696	1,167,488
Bk. overdraft	85,662	......
Accts., tax., etc., pay.	128,064	154,733
Total curr. liabs.	213,726	154,733
Capital stock	200,900	200,900
Capital surplus	328,571	328,571
Earned surplus	493,499	483,284
*After depr. of	235,135	225,626
Working capital	554,196	548,553

ASBESTOS CORP. LTD. net profit for 1949 was $1,138,234—$1.90 a share —down slightly from 1948 net of $1,159,912.

A strike suspended operations Feb. 14 to June 28. Workers were granted an increase of 10c an hour retroactive to Jan. 1, 1949, plus two more paid holidays and expanded vacation privileges. An agreement for 1950 was also signed on the same basis with the addition of a cost-of-living bonus clause based on the federal cost-of-living index. The amount of the retroactive wages have been charged against 1949 operations.

Prices remained firm and demand high. Dollar shortages and sterling devaluation had adverse effects on sales but Marshall Plan money and demand from other sources more than disposed of any surplus. In competition with South Africa and Rhodesia, sterling area producers, the company is at a disadvantage when selling to sterling area consumers. On the whole, the outlook for 1950 seems promising, President A. L. Penhale states.

With the exception of the strike period, operations at all four of the company's plants were at capacity.

One unit of the new primary mill at the British Canadian Mine was placed in operation in October and second unit is being installed. Remodelling of the old mill is under way. Extensive dust filtering equipment has been installed and will handle all exhaust air from the mills. Other construction included a fireproof garage and repair shop at the British Canadian Mine and a shop building at the Beaver Mine.

Rate of production increased 6.7% due partly to better than average ore being treated in some months at the King and Beaver Mines and to improvements in the recovery of short fibres at King.

Ore reserves at Dec. 31, 1949 were: King Mine 9,384,000 tons, Beaver Mine 11,955,000 tons, British Canadian Mine 37,072,000 tons, Vimy Ridge Mine 26,422,000 tons and others 7,300,000 tons.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,342,519	$2,236,213
Less: Depreciation	750,000	474,029
Expl. exp.	285	16,272
Taxes	454,000	586,000
Net profit	1,138,234	1,159,912
Less: Dividends	960,000	960,000
Surplus for year	178,234	199,912
Earnings per Share and Dividend Record:		
Common: Earned	$1.90	1.93
Paid	1.20 + 0.40	1.05 + 0.55

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & gov't bds.	$3,466,749	$3,273,550
Accts. rec.	1,051,246	740,687
Inventories: Asbestos	232,725	152,880
Materials, supp.	1,187,526	1,184,954
Total curr. assets	5,938,246	5,352,071
Prep. exp.§	104,150	132,639
Work. comp. fd.	232,333	226,087
Fixed assets*	4,911,178	4,913,339
Total assets	11,185,907	10,624,136
Accts. & bills pay.	869,777	518,807
Prov. for taxes	268,668	363,968
Prov. for exten.	......	250,000
Total curr. liab.	1,138,445	1,132,775
Work comp. res.	232,333	226,087
Gen. reserve	1,500,000	1,150,000
Capital stock	5,512,714	5,512,714
Distributable surp.	1,000,000	1,000,000
Earned surplus	1,802,415	1,602,560
*After depl., depr.	8,436,656	7,686,655
§Shown in curr. assets in co's report.		
Working capital	4,799,801	4,219,296

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Municipality of Lachenaie
The Roman Catholic Bishop of Bathurst, N.B.
The Roman Catholic Archbishop of Moncton, N.B.
Soeurs de Misericorde de Montreal (Hopital-Sanatorium St- Joseph de Montreal)
Soeurs Hospitalieres de St-Joseph du Nouveau-Brunswick, Series "C"
Les Filles de Marie de L'Assomption, Series "B"
Les Peres Eudistes de la Province de Quebec
Hopital Notre-Dame de Ste-Croix (Mont-Laurier)
Les Compagnons de St-Laurent
Maison Familiale St-Joseph
Herbert Reddy Memorial Hospital
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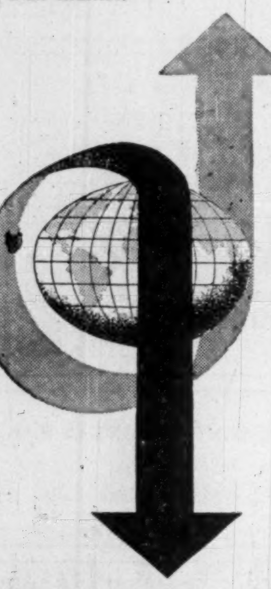


PRAGUE INTERNATIONAL FAIR
14-28 MAY 1950

These Are Among Men Heading the Red Cross Drive

EDWIN C. JOHNSTONE
Prince Edward Island Division

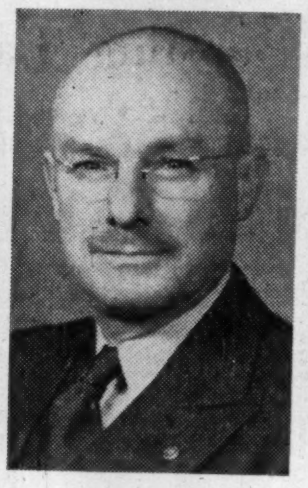
Mr. Johnstone first became associated with the Red Cross during the early days of World War II, when he served as chairman of the Charlottetown campaign committee. In 1945 he became a member of the Provincial Red Cross executive. Born at Long River, P.E.I. he was educated at Prince of Wales College, Charlottetown, and Dalhousie University, Halifax. Manager of the Provincial Branch of the Dominion Life Insurance Co., Mr. Johnstone is a city councillor.

HUGH MCGILLIVRAY
Saskatchewan Division

Elected to Regina City Council in 1939, Mr. McGillivray served seven years as alderman; was elected mayor in 1947 and 1948. He is president of the Regina Old Timers Assn., an executive of Regina Historical Soc., and has been president of the Wheat Pool Committee since its inception. Mr. McGillivray was born in Port Elgin, Ont., but moved west in 1892. He is past president of the Regina Exhibition Assn., the Community Chest, and the Institute for the Blind.

HON. E. W. HAMBER
British Columbia Division

Lieutenant-Governor of B. C. from 1936 to 1941, Mr. Hamber is hon. colonel of the Seaforth Highlanders of Canada, president and gen. manager of Hastings Sawmill Co., London and Canadian Investment Co., and a director of the C.P.R., the Dominion Bank, Toronto General Trusts Corp. and Pacific Mills Ltd. He is also Chancellor of the University of B. C., from which he received his LL.D. in 1937; a Fellow of St. John's College, Winnipeg, and past pres. of B. C. Red Cross.



R. D. KING
Nova Scotia Division

A native son of Halifax, Mr. King has served 34 years with the Imperial Oil Co. and is at present superintendent of the company's refinery at Imperoyal, N.S. He is a veteran of World War II, was awarded the Efficiency Decoration and the D.S.O., for his services, retiring with the rank of Lieut.-Col. As campaign chairman for the Red Cross he contributes a proven talent for organization which makes his voluntary service invaluable to the Society's financial drive.

HERBERT A. OUTERBRIDGE
Newfoundland Division

Born at St. John's, Newfoundland, Mr. Outerbridge is the eldest son of the late Sir Joseph and Lady M. H. Outerbridge. Educated in England, France and Germany, he enlisted in the first World War, serving with the Royal Newfoundland Regiment, was wounded in 1917 and discharged from service the following year with the rank of Captain, M.B.E. (Military Division). Mr. Outerbridge is president of Harvey & Co. and director of several companies.

BANK OF CANADA

	Feb. 22 1950 $	Feb. 15 1950 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,249,256,723	1,251,070,360
Deposits:		
Govt. of Can.	52,211,622	66,158,530
Chart. banks	530,423,460	533,145,091
Other	158,566,791	153,604,422
Total deposits	741,201,873	752,908,043
Liabs. payable in sterling, U.S.A. and foreign gold currencies:		
(a) to gov. of Can.	84,364,009	94,048,401
(b) to other	26,777	26,777
Total	84,390,786	94,075,187
All other liabs.	6,799,845	8,021,969
Total liabs.	2,096,699,594	2,121,125,926
Assets		
Sterling & for'n	78,890,786	88,575,187
Other curr.	40,311	51,150
Total	78,931,097	88,626,337
Subsid. coin	427,079	399,283
Investments:		
Gov. sh. term	1,773,679,149	1,783,958,679
Oth gov. sec.	191,695,798	195,718,791
Other secs.	5,500,000	5,500,000
Total invest.	1,970,874,947	1,985,177,470
Total share cap. at cost	25,000,000	25,000,000
Premises	3,921,821	3,776,325
All other assets	17,544,650	18,146,511
Total assets	2,096,699,594	2,121,125,926

Imperial Bank of Canada Appointment

H. W. THOMSON
formerly Manager, Main Office, Winnipeg, has been appointed Superintendent of Branches at Head Office.

Your Personal Income Tax

Tax Deductions for Doctors, Lawyers

Source of Income Affects Claims For Expenses, Etc.

By D. G. MacLEAN

Is your income tax affected when you sell your house? How does the source of income affect the tax for doctors, lawyers and other professional men? These are among the questions discussed here, in another of The Financial Post series designed to help individuals in making out their income tax returns.

If you are a professional man, your income may come from fees or from salary. Thus a lawyer or doctor may be practicing his profession for fees from his patients or clients, or he may be employed by a corporation, drawing a stated salary.

In the latter case his salary is considered net income, and he is not allowed deductions for attending conventions, etc., nor is he allowed to deduct registration fees, etc., such as are necessary to remain in good standing in his profession. His employer is expected to pay these and other expenses such as equipment, etc.

If he depends on fees from clients or patients, then he is allowed to deduct normal expenses, such as telephone, stationery, clerical assistance, nurse, office rental, annual dues to governing bodies, cost of books and journals needed in the profession, traveling expenses incurred in earning the income, motor car expenses, including cost of oil, gasoline, grease, insurance, washing and garage charges and repairs necessary because of ordinary wear and tear, also depreciation on a maximum cost of $2,500. If the car is not used exclusively in earning the income, then the allowance is 75% of expenses incurred, including depreciation.

Doctors and dentists are allowed expenses for attending conventions of national and provincial governing bodies, and associations of specialists in Canada and the United States, provided they are working on a fee basis. But if on a salary basis, then the employer is expected to pay all such expenses.

The T-1 General Form

Professional men, people working on commission and those having a business of their own, all should use the T-1 General Form and should complete Parts 1 and 3 on page 4 of the form. Here in the designated spaces they can fill in gross profits, total professional fees or commissions and allowances as the case may be. Then, in the right hand column, they state their expenses including salaries paid for help, rents, interest on money borrowed to help earn the income, taxes and licenses, fees, repairs, property insurance, bad debts write-off, depreciation, traveling and other expenses. These sections are also used by partnerships. In Section 3, each partner would show only his share of total income and then carry it back to page 2.

Farmers and fishermen whose chief source of income from 1946 to 1949 was farming or fishing may average their income over the period and pay the tax calculated on the average income. For people in these occupations the income tax department has prepared a "Farmers' and Fishermen's Guide—1949" which gives assistance in calculating income and allotting expenses. From 1950 on farming and fishing income can be averaged over five years, back to 1946.

Having calculated income from all sources, it is then transferred to page 2 of the large form, page 3 of the short form. Exemptions are then calculated and the amount of tax calculated, according to the table.

Here are some common points which cause taxpayers trouble.

If your wife helps you in your store or business, or in your office as a doctor or lawyer, and you pay her a regular wage or salary, you can't deduct it from your own income as an expense. There is no separation of income in such cases.

If you are a storekeeper and retire and sell out your stock, any profit you make is considered income and taxable.

If you are a farmer and retire and sell out, revenue from grain or livestock would be taxable income. But profit on your farm, buildings, machinery and basic herd would be considered capital return and not taxable.

Provided your main source of livelihood is not buying and selling houses, if you sell a house at a price higher than you paid for it, if it is the house you live in and on which you had not claimed depreciation, the profit would not be considered income. But if it were a house which you had been renting to somebody else and on which you had claimed depreciation, and you sold it for a profit over the undepreciated cost price, the amount of depreciation written off since Jan. 1, 1949, would be considered income and taxable.

Profits from gambling, sweepstakes, stock market operations, etc., are not taxable as income unless you make a business of such operations.

Subsistence Allowance

In some cases employees are supplied with board and lodging, living allowances, etc. These are all considered part of the year's income and taxable. The income tax department has provided a scale of values for such accommodation. Clergymen, allowed a free house, are not required to add the rental value of it to their income for tax purposes.

On your investments, if some of the bonds are redeemed at a premium over par, the premium is not considered taxable. This reverses the former practice. But a premium paid by a corporation on redemption of its shares is taxable. If, however, you have sold the shares at a premium over par, shortly before they are redeemed the profit is not taxable.

Depletion Allowances

Clarifying the reference in last week's article to depletion allowances permitted in regard to dividends from mineral profits (profits from mining, oil and gas companies), it should be noted that in respect of companies carrying on business in Canada, the maximum allowance is 20% of the dividend, if the mineral profits of the corporation are equal to not less than 75% of its income.

If mineral profits are not less than 50%, but less than 75% of the company's income, the allowance is 15% of the dividend. If the mineral profits are not less than 25% but less than 50% of the income, the allowance is 10% of the dividend.

In the case of corporations not carrying on business in Canada, the allowance is 15% of the dividend if the mineral profits are not less than 50% of the company's income.

When a person receives a royalty out of proceeds from the sale of products from an oil or gas well, the allowance is 20% of the royalty. In the last case it is presumed that the proceeds from the sale of the products of an oil or gas well are taxed against the trustee (holding the interest in the property) as a corporation. The rates thus have been changed from those previously in effect.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CENTRAL TRUST CO. OF CANADA reports record net profits of $28,316 for 1949 up from the 1948 figure of $26,236. Total assets amounted to $15,573,014, an increase of $1,070,586 from the previous year.

Liabilities to the public amounted to $4,519,407 ($4,308,555 in 1948) and were secured chiefly by mortgages of $2,799,773 ($2,978,781) and liquid assets of $2,026,190 ($1,611,521).

Estates, trusts and agency accounts amounted to $10,621,369 ($9,785,470).

President Fred Magee states that repayments on mortgage investments continue satisfactory with interest being paid promptly.

	1949	1948
Liabs. to public, etc.*	$4,519,407	$4,308,555
Depreciation res.	2,551	2,551
Shareholders' equity	429,687	405,851
*Secured by:		
Mortgages	2,799,773	2,978,781
Office premises†	125,682	126,655
Liquid assets‡	2,026,190	1,611,521
Total	4,951,645	4,716,957

†Includes safety deposit boxes and furniture. ‡Includes bonds and stocks.

	1949	1948
Estates account	10,621,369	9,785,470
Net profit	28,316	26,236
Earned per Share§	$9.45	$9.05
Paid	6.00	6.00

§Based on amount paid up on subscribed capital, part of which, during year, did not rank for dividends.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MELCHERS DISTILLERIES LTD. reports net profit of $119,856 for 1949, up 3.42% from the 1948 figure of $115,890. Total sales increased and, while wages, salaries, etc., increased slightly, grain prices were down somewhat. The company produced throughout most of the year to maintain its inventories, particularly whisky, at the maximum. Two new brands, Aristocrat and Anniversary, put out toward the end of 1948, were well received by the public. Two more, Alouette and Viscount were released a short time ago and are selling well.

Balance of the new automatic bottling machinery and equipment was installed and is functioning satisfactorily. Fire insurance on inventories was increased. A new appraisal of buildings and machinery should be completed around the end of March.

The Dominion Income Tax Department assessed profits for 1943-8 and disallowed $165,922 as part of the depreciation charged by the company. Bank loan was increased to $400,000 to pay $94,468, the net amount of the claim after deducting the refundable portion of E.P.T. for 1943. Around March 31, 1950, the company expects to receive $138,859, refundable portion of E.P.T. for 1944 and in March, 1951, $157,970, the portion for 1945.

A new working agreement with the union was signed, effective Nov. 1, 1949, V. Marchand, chairman of the board, reported.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$332,199	$317,408
Less: Deprec.	108,343	108,118
Income tax	104,000	93,400
Net profit	119,856	115,890
Less: Pref. divds.	75,000	75,000
Surplus for year	44,856	40,890
Earnings per Share and Dividend Record:		
Before partic.:		
Preferred	$0.96	$0.93
Paid	0.60	0.60
On partic. basis.:		
Preferred	0.94	0.92
Common	0.04	0.02
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$42,578	$29,928
Accts. rec.	77,428	123,814
Ref. EPT	296,830	......
Inventories	1,661,884	1,585,462
Life ins., c.s.v.	2,355	2,124
Total curr. assets	2,081,075	1,741,328
Misc. assets▲	18,063	353,056
Fixed assets*	1,109,472	984,750
Total assets	3,208,610	3,079,134
Bank loan	400,000	275,000
Accts., tax., etc., pay.	274,261	360,218
Total curr. liab.	674,261	635,218
Conting. reserve	40,000	40,000
Capital stock	1,500,000	1,500,000
Surplus	994,349	‡903,916
*After depr. of	754,716	812,657
▲Incl. ref. EPT	......	337,056

‡Of which $239,937 in 1948 and $345,812 in 1949, may be applied (if and when declared) to distrib. to pref. shldrs. as addit. noncum. divd. up to 3%; and of which $249,874 in 1948 and $571,488 in 1949 may be distrib. as participating divds. to pref. and common holders.

Working capital	1,406,814	1,106,110

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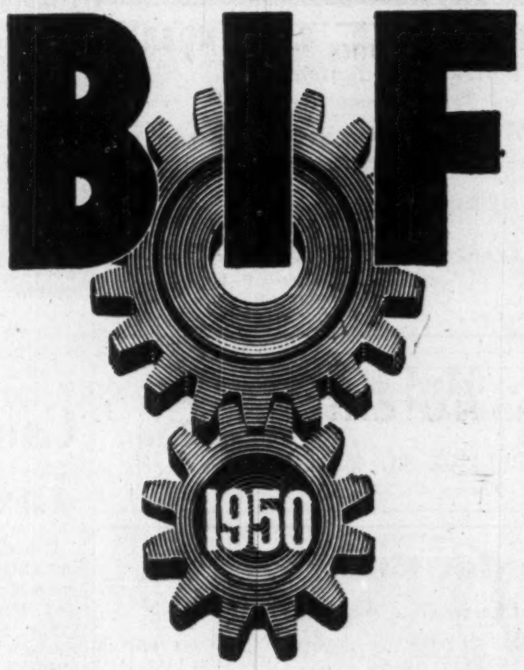

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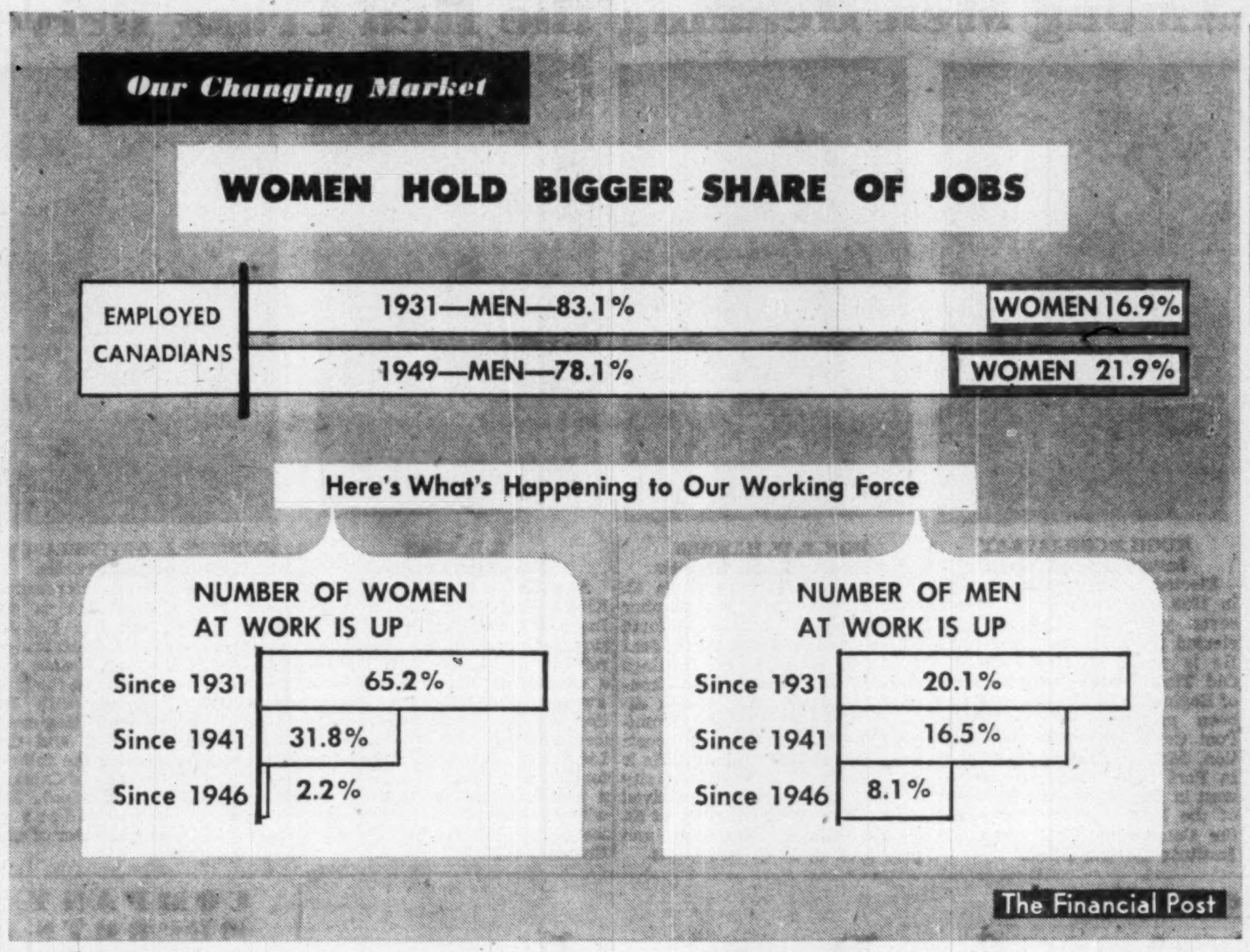

Women Earn More of Money They Spend

Here's How Feminine Employment Affects Retail Market

By WALLACE GILLESPIE

Women—with their different responses to sales appeals—are independently earning a larger share of the money they bring to the retail counter than they did in the 30's.

The rise of the working woman, particularly of the working wife, is a major, and apparently permanent, change in Canada's consumer market.

This change has been more extensive in some provinces than in others. And there have been shifts in the marital status and age groups of our employed women.

The movement of women into industry, stimulated by war, didn't end with it. True, the ladies aren't riveting airplanes any more, but they haven't all gone back to the kitchen either. They fill an increasing number of merchandising, service, and light manufacturing jobs.

With female employment in Canada last year still running 2.2% above 1946, the working gals seem set to stay on the job—frequently, even when they marry.

Where does this increase in working women come from? Comparison with census data is most revealing.

In 1931, before the war began to alter the percentages, 665,859 Canadian women had jobs. They were in the following marital classifications:

	No.	%
Single	537,657	80.8
Married	66,798	10.0
Widowed, Divorced	61,335	9.2

On June 4 last year—a date chosen to correspond with that of the census—Canadian women held 1,100,000 jobs. Marital classifications were as follows:

	No.	%
Single	674,000	61.3
Married	321,000	29.2
Other	105,000	9.5

Time-saving house appliances have an obvious sales appeal to the woman who is both running a home and working outside. Often her earnings provide the family's surplus for "extras." A four-fold increase in the number of such women since 1931 has contributed to the more feminine character of our working force. This significant development is discussed here in the fourth of a series of articles dealing with shifts in Canada's consumer market.

That over-all increase from 665,859 to 1,100,000 female-held jobs is a startling 65.2% increase, compared with an increase of 20.1% in male employment in the same period.

Employment of married women is thus up 380%, while the increase of 23% in the employment of single women is only slightly greater than that of the men. Employment of widowed and divorced women rose 71%.

This substantial increase in working wives is reflected in the decreasing percentage of men in our employed force, the increasing percentage of women.

In 1931, men comprised 83.1% of Canadians with jobs, but that figure had dropped to 78.1% last year.

Women were 16.9% of the total in 1931, 21.9% last year.

Here are the actual figures at six corresponding periods.

	Men	Women
June 1, 1931	3,261,371	665,859
June 1, 1941	3,363,111*	833,972
June 1, 1946*	3,624,000	1,076,000
May 31, 1947	3,761,000	1,060,000
June 5, 1948	3,876,000	1,072,000
June 4, 1949	3,918,000	1,100,000

*Not including members of armed forces.

(Most recent DBS figures, for Oct. 29, 1949, bringing Newfoundland into the picture for the first time and introducing seasonal variations not present in the table above, are 3,967,000 employed men and 1,086,000 employed women.)

The table shows that, even since the early war census in 1941, the rate of increase in female employment has been almost double that of male employment. The figures are up 16.5% in the case of men; 31.8% for women.

While female employment has more than held its own since the appeal of wartime patriotism ended (up 2.2% since 1946), male employment rose 8.1% during the same period, partly because of the return of service men.

Regionally, the working woman is a greater factor in some areas than in others.

Ontario is now leading the field in female employment. Last October, 23.5% of all jobs in the province were held by women. It was followed by British Columbia with 22.5% female. Quebec's 22.2% was also above the Canadian average of 21.5%.

Below the Canadian average in female employment were the Maritimes, 19.7%; Newfoundland 19%, and the Prairie provinces, 17.5%.

The lineup has changed since the 1931 census. At that time, the Canadian average was 16.9%, and Quebec led the field with 19.7% female-held jobs. The only other province above the Canadian average was Ontario with 18.5%. B. C. was down with 14.3%, along with the Maritimes 15.4%, and the Prairies 12.9%.

Next: How old are Canadian earners?

Canadian Vintners Claim Tax Aids Imported Wine

Canada's wine makers are asking Ottawa for tax relief, without which they say their industry and that of Southern Ontario grape growers, representing a total estimated investment of $30 millions, will be severely hit.

They are asking also that the tax setup in all alcoholic beverage industries be examined.

The vintners say that under the present excise tax, spirit tax and import duty setup they are called upon to pay up to 53% more to the Government than their foreign and other Commonwealth competitors. They claim that this situation, together with recent devaluations, has placed them at a competitive disadvantage that "could end their existence as industries."

"The situation," says Earl A. Thomas, president T. G. Bright & Co. and president, the Canadian Wine Institute, "results largely from a Customs Department interpretation which permits entry to Canada of imported wines at greatly reduced rates of duty.

"Canadian wines enjoy no tariff protection. At the same time Canadian wineries have to pay a tax of $1.50 per proof gallon for grape spirit; an excise tax of 50 cents a gallon.

"The end result is that duty and tax on a gallon of Canadian wine totals 80 cents as against 52½c for Commonwealth producers and 62½c for foreign producers since neither pays spirit tax or excise tax.

"Equaling the tax situation in gravity is the problem of devaluation. Every country now selling wines to Canada has devalued which automatically has lowered product costs in relation to the Canadian dollar. New prices to the Canadian consumer are lower than Canadian-produced wines in the same category."

Referring to "tax inequalities in the Canadian alcoholic beverage industry which require close scrutiny," Mr. Thomas cites this comparison of taxation on Canadian-produced spirits, wine and beer for the years 1939 and 1948:

Taxes on spirits up 175%; on beer and ale up 166.6%; on majority of wines up 566.6%.

New $10 Millions UK Lumber Order Studied on Coast

From Our Own Correspondent

VANCOUVER—British Columbia, Washington and Oregon lumber operators are now working out bids on the second United Kingdom lumber order for this year.

New order will be for some 132 million board feet, at about $10 millions with similar specifications to the last order which runs for the first three months of this year. It will go in shipment to be made until the end of June.

Bids must be submitted to the British Timber Control in London by Feb. 27, and decision will be announced on March 11.

Washington and Oregon operators are confident they will get a large share of the deal, because it is ECA money that Britain is using for the purchase.

However, one B. C. operator said: "It will depend entirely on price and specifications. If our price is lower we'll probably get the larger share."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GENERAL TRUST OF CANADA net profit of $70,858 for 1949 was down 7.92% from the 1948 net of $76,948. Gross income increased from $3,752,666 to $4,311,636. Operating expenses were $195,538.

Guaranteed deposits are invested up to 50% in call loans adequately secured, 20% in Federal and Provincial bonds, 25% in debentures of cities, school commissions and trustees and the balance in corporation bonds. Policy of establishing and managing pension funds for private and public corporations has progressed substantially and is bringing good results, L. A. J. Amyot, vice-president, states.

Liabilities to the public amounted to $4,490,935 ($3,872,382 in 1948) and were secured by mortgages and other assets of $5,926,713 ($5,293,303).

Estates, trusts and agencies accounts amounted to $84,554,682 ($78,353,262).

	1949	1948
Liab. to public, etc.*	$4,490,935	$3,873,382
Shareholders' equity	1,435,778	1,419,921
*Secured by:		
Mtges. & oth. assets†	5,926,723	5,293,303
†Incl. bonds and stocks.		
Estates account	84,554,682	78,353,262
Safe custody acct.	46,419,511	42,077,361
Net profit	70,858	76,948
Earn. per Pref. Share	$6.44	$7.00
Paid	5.00	5.00

CANADIAN GENERAL INVESTMENTS LTD. net profit of $717,849 for 1949 was slightly higher than the 1948 net of $708,460. Total net assets had an apparent liquidation value of $14,481,587 or $24.11 a share at Dec. 31, 1949, as against $13,950,022 or $23.22 a year earlier. Book value of investments was $9,622,321 compared with $9,481,612.

Net gain of $104,815 was made on securities sold and was added to capital surplus distributable. Taken from capital surplus distributable to surplus was $22,894, part of net profit on securities sold in 1947 and now determined to be income by the Dominion Income Tax authorities.

A quarterly dividend of 22½c plus a bonus of 21c has been declared payable April 15, 1950, Arthur Meighen, president, stated. The directors have elected that commencing with the year ended Dec. 31, 1949, the company will pay Dominion Income Tax on its taxable income earned and shareholders are thereby entitled to the tax relief in respect of dividends paid by the company in 1949 and subsequent years. The company continues to comply with the regulations which exempt it from payment of Ontario Corporations Income Tax.

Classification of securities according to type of investment was: cash 1.16%, bonds and debentures 2.28%, preferred shares 35.66%, banks and trust companies 3.55%, and common shares 57.35%.

PROFIT AND LOSS ACCOUNT

Years Ended Dec. 31:	1949	1948
Total income	$788,390	$769,252
Less: Expenses	33,444	33,460
Invest. res. (mines)	26,097	27,332
Inc. tax res.	11,000	......
Net income	717,849	708,460
Less: Dividends	606,594	585,573
Surplus for year	111,255	122,887
Earnings per Share and Dividend Record:		
Earned	$1.20	$1.18
Paid	0.80+0.21	0.77½+0.20

BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$168,269	$46,946
Investments*	9,622,321	9,481,612
Accr. int. & divds.	171,702	182,762
Total assets	9,962,292	9,711,320
Accts., divds., etc., pay.	137,946	129,086
Invest. res. (mines)	143,203	117,106
Capital stock	3,002,945	3,002,945
Capital surplus	5,174,868	5,092,947
Surplus	1,503,330	1,369,236
*Market value	14,279,561	13,849,401

EATON MANUFACTURING CO. and subsidiaries report net profit for 1949 of $8,259,530 ($10,971,106), equal to $4.61 a share ($6.15). Sales were $102,227,612 ($128,132,677). Lower sales volume was attributed largely to decreased demand on part of truck builders. The Canadian subsidiary—Eaton Automotive Products, Ltd., London, Ont.—manufactures similar products to U. S. divisions. These products are distributed in Canada to the Canadian subsidiaries of many U. S. customers and to other Canadian companies.

INTERNATIONAL NICKEL CO. has issued 50 more shares of $100 par preferred stock in exchange for 1,000 shares of $5 par stock. Now outstanding are 149,494 shares of $100 par and 2,535,685 of $5 par.

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Appeal Board Considers Capital Outlay, Expense

The distinction between capital outlay and income expense holds the centre of the stage in recent Tax Board decisions.

Gordon Daley, a former Nova Scotian lawyer, sought to deduct from his income in 1946 a portion of the $1,500 he had to pay the Law Society of Upper Canada for the privilege of hanging out his shingle in Ontario. His claim was disallowed on the ground that the outlay created for him a lasting advantage.

It was said in the judgment, "It is necessary to distinguish between an expenditure made to acquire a privilege (the outlay in question) and one made to be able to exercise it, once it has been acquired (the annual fee)."

Appeals of two Saskatchewan farmers, McDonald and Scott, each asking to be allowed the cost of brushing and breaking new acreage, were dismissed for the reason that it was a capital expenditure. It was attempted to draw an analogy to weed eradication, but it was pointed out that weeds grow in ground actually under cultivation and reduce the value of the crop. The brush and undergrowth, however, had to be removed as a preliminary to the commencement of income earning operations on the land.

• • •

Owner Refuses To Accept Depreciation Allowance

The Vancouver haberdashery business of Graham & Vick Ltd. seems to have overreached itself in its approach to a similar problem. It extended its business premises into an adjoining building in 1946 which was leased on a month to month basis.

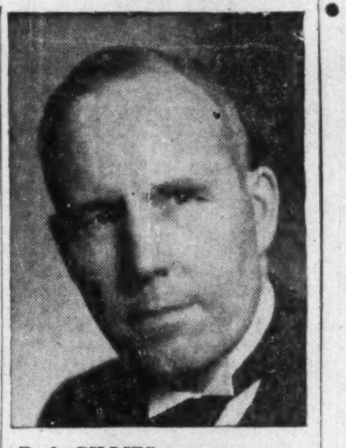
The costs of changes and modifications necessary to render the new premises suitable were assumed by the appellant and were claimed as a deduction from its income for the year. The Minister disallowed the deduction but, according to the judgment, was willing to allow in the year one third of the amount under the head of depreciation "in accordance with the provisions of section 6 (1) (n)." The appellant refused this proposition and held out for the whole outlay.

The allowance of one third of the cost of alterations, offered by the Department, will be recognized as an instance of the quite unauthorized but very welcome policy whereby tenants were allowed to recover such outlays over the term of their lease or in three years, whichever was the longer. To refer to such an allowance as depreciation may be convenient but is inaccurate. In any event the Board held that the outlay was capital in nature and not deductible from income and dismissed the appeal.

• • •

Capital Cost Regulations Cover Alteration Costs

Such items are now dealt with under the new Capital Cost Regulations and, incidentally, provide a reason for dropping the word "depreciation" in that connection. The Department right through the life of the Income War Tax Act held fast to some treasured concepts. "Salary is net income," was one. "Depreciation is wear and tear on physical assets actually used to earn income," was another. But capital cost is the key to the new structure of allowances under the Income Tax Act and it would have clarified matters all around to have clothed the new policy in appropriate words — amortization suggests itself. To regard a tenant's cost of alterations to premises as property let alone depreciable property is to abuse the English language.



D. A. GILLIES
president of Gillies Bros. & Co., Braeside, Ont., has been elected president of the Canadian Forestry Association.

Short Position Rises On T.S.E.

Semimonthly short position report of the Toronto Stock Exchange as of Feb. 15 shows aggregate short positions, eliminating odd lots, on books of member firms at 531,845 shares of 150 issues, compared with 502,525 shares of 149 issues on Jan. 31.

Largest net changes from previous compilation in individual mining stocks were:

Stock	Change	Stock	Change
Chesterv'le	+22,800	Mosher	+6,000
Sher. Gor.	—15,500	MacL'd C.	+4,700
Magnet C.	—7,500	Eldona	—4,700
Northland	+7,000	Golden M.	+4,100
Anglo Can.	+6,300		

Largest changes in industrials were:

Stock	Change	Stock	Change
Imperial Oil	—250	Algoma Stl.	—200
Walkers	+200	Bell Tele.	+150

Here is the complete short position:

Stock	Shares	Stock	Shares
Abitibi	4,325	Jaculet	3,500
Algoma Steel	300	Joliet-Que.	7,500
Aluminium	65	Kerr-Addison	1,575
Anacon	5,000	Kirkland L.	2,100
Anglo Cdn.	6,500	Labrador	4,800
Argus Corp.	960	Laguerre	2,500
Arjon	1,000	Lake Dufault	2,100
Ascot	2,000	Lake Shore	100
Atlantic Oil	4,300	Larder U	1,500
Atlas Steel	1,500	Laura Secord	100
Aumaque	3,000	Leitch	1,500
Barnat	5,000	Lynx Y'knife	1,000
Base Metals	8,500	Macassa	1,000
Bell Telephone	150	MacDonald	2,000
Bidgood	2,500	MacLeod	22,800
B. A. Oil	150	Madsen R. L.	800
B. C. For. Pr.	700	Magnet C.	10,500
Br. Dom. Oil	1,000	Malartic G. F.	1,500
Buf. Ankerite	1,500	Marcus	5,000
Calg. & Edm.	1,700	Massey-Har's	1,775
Campbell R. L.	300	McIntyre	100
Can. Cement	750	McKenzie R L	7,000
Can. Nor. Pwr.	125	Mining Corp.	800
Can. S.S. Lines	450	M. & O. Paper	400
Cdn. Brewer.	1,900	Mosher L. L.	9,000
Cdn. Celanese	50	Negus	600
Cdn. I. Alc. vot	475	New Calumet	1,000
C. P. R.	910	N. Goldvue	20,500
Cdn. Vickers	150	New Jason	700
Cent. Leduc	1,600	New Norzone	6,500
Chatco Steel	100	Nicholson	8,900
Ch. Research	11,755	Noranda	50
Chesterville	34,200	Norlartic	17,000
Cochenour	3,700	Normetal	2,600
Cockshutt Pl.	300	Nor. Denison	500
Con. Homest'd	500	Northland	7,000
Cons. Lebel	3,000	O'Brien	400
Cons. Paper	425	Okalta	1,100
Cons. M & S.	685	Orange Cr.	600
Conwest	100	Osisko	36,900
Croinor	5,000	Pacific Pete.	5,200
D'Aragon	1,000	Pamour	2,600
Decalta	500	Pend Oreille	4,100
Delnite	500	Porc. Reef	10,800
Discov. Y.K.	2,000	Powell Ro'n	1,000
Dome	100	Preston	4,500
Dom. Fabrics	50	Price Bros.	25
D. Stl. & C. B	1,350	Queenston	5,000
Dom. Stores	50	Quemont	450
Donalda	5,000	Reeves MacD.	1,000
Donnacona	200	Royalite	200
Dulama	1,500	Roybar	2,500
East Amphi	1,000	San Antonio	2,000
East Malartic	4,700	Senator	500
East Sullivan	5,500	Sherr. Gord.	25,100
Eldona	4,500	Silanco	3,000
Eureka	5,800	Silver Miller	3,000
Falconbridge	200	Sladen	1,500
Fanny Farmer	70	Southam Press	100
Federal Grain	500	Starr. Olsen	3,000
Feder. Pete.	7,700	Steep Rock	11,300
Ford A	375	Sullivan	100
Fraser Cos.	200	Surf Inlet	500
Giant Y'knife	6,600	Taku	26,500
Globe Oil	1,000	Teck-Hughes	500
Golden Man.	13,200	Tombill	1,000
Gt. Lakes Pap.	200	Torbrit	500
Gypsum	100	Tower Pete.	500
Hard Rock	500	United Keno	5,400
Hasaga	1,400	Upper Can.	12,600
Hosco	11,500	Ventures	700
Hudson Bay	350	Waite Amulet	1,100
Imperial Oil	1,700	Walk. G & W	1,175
Int. Nickel	100	Winnipeg Elec.	750
Int. Paper	2,215		
Do. pref.	60	Total	531,845

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Butterfly Hosiery

Will you please give me some indication of earnings outlook for Butterfly Hosiery Co. Why should the common stock sell at such a low price in relation to dividend and earnings?

According to our information, operations recently have been at a good level, especially in the domestic market. Export markets have fallen off to some extent, due to the import controls imposed by foreign governments. There was some general falling off in business in mid-1949, but this proved to be only temporary. Earnings for the year are understood to be only slightly below 1948 when earnings per common share amounted to $1.76.

The company has spent about $500,000 for new equipment in the past two years, mainly for 12 new modern knitting machines.

Regarding the price range recently of $9-$11, the stock is selling about five or six times 1948 earnings. It should be pointed out that this relatively low "times earnings" figure has been fairly common for some of the better classes of common stocks during the past two or three years.

In addition, there have been some minor price reductions by several larger producers in the industry and there has been keener competition in evidence. The industry did only about ¼ of the business in the export market that it did in 1948. These factors undoubtedly make investors somewhat less inclined to be overly optimistic. On the other hand, industry officials appear to be quite satisfied with the outlook for 1950 as long as the domestic market continues to absorb their output in such good volume.

INCOME TAX

Gives Wife Bonds

In 1945 I transferred to my wife $5,000 in victory bonds on which I paid gift tax. Is the income from these bonds considered mine or my wife's for tax purposes? I have been including this income in my return but wonder whether I should continue to do so. Also, will I receive a credit from my succession duties when they become due because of the gift tax paid?

The income from these bonds will be considered your income and you are right in including it in your income in your tax return. If you had died within three years after giving your wife the $5,000 bonds, your estate would have received a credit for the amount of gift tax paid, against the succession duty payable to the Canadian Government on the $5,000 bonds. But as gifts made three years prior to death are not subject to Canadian Government succession duties, you will not receive any credit for the gift tax on these bonds now, as more than three years have elapsed since you made the gift.

Under the Ontario Succession Duties Act, gifts made five years or more before the death of the donor are not subject to provincial succession duties.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COSMOS IMPERIAL MILLS LTD. net profit of $257,445 for 1949 was 12.2% above the 1948 net of $229,357. Having regard to the big drop in demand for textile products in the U. S. in the early part of the year, a cutting of inventories there during that period and some loss of production as a result of the power situation at Yarmouth, results are considered satisfactory, President Alan V. Young states.

It is expected co-operation by the Nova Scotia Power Commission will minimize future troubles caused by this power situation.

Large expenditures on plant and equipment are nearing completion and the resulting increased efficiency and economy of operation are beginning to be apparent.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$586,213	$608,837
Less: Depreciation	168,768	155,493
Tax reserve	160,000	173,987
Cont. res.	......	50,000
Net profit	257,445	229,357
Less: Com. divd.	160,000	165,000
Surplus for year	97,445	64,357
Earnings per Share and Dividend Record:		
Common†	$1.29	$1.15
Paid (old)	0.40	1.40+0.25
Paid (new)	0.60	....

†After giving effect to 2-for-1 stock split approved March 1, 1949.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$65,020	$558,724
Accts. rec.	775,435	690,659
Inventories	1,354,215	835,720
Total curr. assets	2,194,670	2,085,103
Unexp. insur.§	39,556	42,950
Misc. assets▲	26,531	29,960
Fixed assets	3,672,725	3,548,046
Total assets	5,933,482	5,706,059
Total curr. liab.	171,869	121,521
Funded debt	488,000	576,000
Depreciation res.	2,072,183	1,907,054
Contingent res.	233,454	237,934
Capital stock	1,684,883	1,684,883
Surplus	1,283,093	1,178,667
▲Incl. ref. EPT	14,483	29,960
§Incl. in curr. assets in co's report.		
Working capital	2,022,801	1,963,582

HAMILTON COTTON CO. reports net profit of $143,589 for the year ended Dec. 25, 1949, 14.94% above the 1948 net of $124,924. Total sales increased despite pronounced slackness last summer. Expenditures on machinery renewal and rearrangement are almost completed and the resulting economies have begun to accrue. Further expenditures will be required as the market expands and as better equipment becomes available.

Demand at present assures a satisfactory rate of operations for some time ahead, but future adverse effects of devaluation of the pound cannot be estimated, President Alan V. Young stated.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 25:	1949	1948
Net earnings	$503,636	$470,341
Less: Deprec.	224,364	225,502
Bond interest	40,183	42,415
Inc. tax res.	95,500	77,500
Net profit	143,589	124,924
Less: Com. divds.	72,000	72,000
Surplus for year	71,589	52,924
Times Bond Interest Earned:		
Before deprec.	12.53	11.09
After deprec.	6.95	5.77
Earnings per Share and Dividend Record:		
Common: Earned	$1.79	$1.56
Paid	0.90	0.90

CONDENSED CONS. BALANCE SHEET

As at Dec. 25:	1949	1948
Cash	$42,385	$70,119
Accts. rec.	532,200	541,086
Inventories	1,387,316	†1,234,522
Total curr. assets	1,961,901	1,845,727
Misc. assets	167,300	228,051
Fixed assets*	1,915,003	1,962,992
Total assets	4,044,204	4,036,770
Bank loan	60,000	140,000
Accts., tax., etc., pay.	411,432	485,302
Bonds due	85,000	85,000
Total curr. liab.	556,432	710,302
Invent. res.	175,000	......
Funded debt	1,075,000	1,160,000
Capital stock	1,200,000	1,200,000
Capital surplus	74,091	75,202
Earned surplus	963,681	891,266
*After depr. of	2,929,971	2,732,247
†Less reserve.		
Working capital	1,405,469	1,135,425

Ontario Steel Products Demand Continues Good

Demand for the products of Ontario Steel Products Co. continues heavy and a high volume is anticipated for some considerable time, E. S. Byers, general manager, told shareholders in a first quarter report.

During the first three months of the current fiscal year (Oct. 1 to Dec. 31, 1949), production was affected to a minor extent by the changeover to new 1950 car models by some of the principal customers and by labor troubles experienced by one of them. However, despite these interruptions, sales were slightly higher than in the same period of 1948.

business calls in a...

Diplomat

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BRANCHES AT TORONTO, ONT., AND WINNIPEG, MAN., MILLS AT ST. JEROME, QUE. AND AT MONT ROLLAND, QUE.

B. C. Elec. Plans To Spend $3.5 Mill. On Buntzen Plant

B. C. Electric Co. plans to modernize its Lake Buntzen hydro-electric plant No. 1 at an over-all cost of $3.5 million, President A. E. Grauer announced. A $500,000 contract for a 72,000 hp turbine, which will nearly triple the plant's present capacity, has been let to Vancouver Engineering Works.

Work on the Buntzen project is scheduled to start in May and about $2 millions will be expended on it this year "which will assist employment not only locally but also in Eastern Canada where certain large pieces of electrical equipment will be manufactured," Mr. Grauer stated. The project will be completed in the autumn of 1951.

The new unit will replace seven machines, two of which have been pumping energy into Vancouver since 1903, Vice-president and Chief Engineer Thomas Ingledow stated. "Like the Ruskin plant, Buntzen No. 1 will be used for peaking purposes during the winter season of greatest demand," he said.

The new unit will be rated at 50,000 kw compared with 21,000 kw now in service. A vertical reaction type turbine, the new machine will be 35 ft. in diameter and have a speed of 240 rpm. One of the valves required will measure 138 in. in diameter and it, together with an 84-in. valve and other auxiliary equipment, will all be built by Vancouver Engineering Works under the $500,000 contract.

This is the second B. C. Electric turbine job won by V. E. W. as in the period 1946-49 it manufactured the three 62,000 hp vertical-impulse type machines now in operation at Bridge River.

Pelton Waterwheel Co. of San Francisco will furnish the designs for the turbine.

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DOMINION TEXTILE COMPANY LIMITED
Montreal, Canada

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO AND ONE-QUARTER PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable SATURDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March, 1950.

By Order of the Board.

J. W. ROSE, Jr., Secretary.

TORONTO, February 15th, 1950.

General Steel Wares Limited
PREFERRED DIVIDEND

Notice is hereby given that a dividend of ONE DOLLAR AND TWENTY-FIVE CENTS ($1.25) per share has been declared for the quarter ending April 30th, 1950, on the outstanding preferred stock of this Company, payable May 1st, 1950, to shareholders of record April 3rd, 1950.

By Order of the Board.

FRANK S. BROPHY, Secretary.

Montreal, February 21st, 1950.

General Steel Wares Limited
COMMON DIVIDEND

Notice is hereby given that a dividend of TWENTY-FIVE CENTS (25c) per share has been declared for the quarter ending April 30th, 1950, on the outstanding Common Stock of this Company, payable May 15th, 1950, to shareholders of record April 17th, 1950.

By Order of the Board.

FRANK S. BROPHY, Secretary.

Montreal, February 21st, 1950.

MITCHELL CANADA

The Robert Mitchell Company Limited

Notice is hereby given of a special dividend of ($1.00) one dollar per share payable April 15, 1950 to shareholders of record March 15, 1950; also a dividend of $1.00 a share, of which (50c) fifty cents is payable June 15, 1950 to shareholders of record May 15, 1950 and (50c) fifty cents, December 15, 1950 to shareholders of record November 15th, 1950.

By Order of the Board,

H. S. McGEE, Secretary-Treasurer.

Montreal, February 16, 1950.

R. L. CRAIN LIMITED
DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of ten cents (10c) per share on the Capital Stock of the Company has been declared for the quarter ending March 31, 1950, payable on and after the first day of April, 1950, to holders of record at the close of business on the 15th day of March, 1950.

By Order of the Board.

HENRY R. NURRISH, Secretary-Treasurer.

Dated at Ottawa this 17th day of February, 1950.

CANADIAN CELANESE LIMITED
Montreal, Que.

The Board of Directors has this day taken the following action with respect to Dividends:

PREFERRED SHARES, $1.75 SERIES

Forty-three and three-quarter Cents (43¾c) per share, which shall be deemed to be for the three months period from January 1, 1950 to March 31, 1950, has been declared payable March 31, 1950 to the holders of record at the close of business on March 14, 1950.

PREFERRED SHARES, $1.00 SERIES

Twenty-five Cents (25c) per share, which shall be deemed to be for the three months period from January 1, 1950 to March 31, 1950, been declared payable March 31, 1950 to the holders of record at the close of business on March 14, 1950.

COMMON STOCK

Fifty Cents (50c) per share in respect of the first quarter of 1950 has been declared payable March 31, 1950 to the holders of record at the close of business on March 14, 1950.

A. G. ALLAN, Secretary

February 21, 1950.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of eighteen and three quarters cents (18.75c) per share has been declared on the Series "B" 4½% Cumulative Redeemable Preferred Shares of the Company for the period March 2, 1950, to March 31, 1950, payable April 2, 1950, to shareholders of record March 15, 1950.

By Order of the Board,

J. L. T. MARTIN, Secretary.

Montreal, February 20, 1950.

DIVIDEND NOTICES

MERSEY PAPER COMPANY LIMITED
DIVIDEND NO. 9
PREFERENCE SHARES

NOTICE IS HEREBY GIVEN THAT a regular quarterly dividend of $1.125 per share on the Preference Shares of the Company has been declared payable April 1st, 1950, to shareholders of record as at the close of business on March 4th, 1950.

DIVIDEND NO. 6
COMMON SHARES

NOTICE IS ALSO HEREBY GIVEN THAT a dividend of Fifty Cents (50c) per share on the Common Shares of the Company has been declared payable April 1st, 1950, to shareholders of record as at the close of business on March 4th, 1950.

By Order of the Board.

J. A. PARKER, Secretary.

Liverpool, Nova Scotia. February 15th, 1950.

NATIONAL STEEL CAR CORPORATION LIMITED
NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share has been declared for the quarter ending March 31, 1950, payable on April 15, 1950, to shareholders of record at the close of business March 15, 1950.

By Order of the Board.

H. J. FARNAN, Secretary.

THE FOUNDATION COMPANIES CANADA
DIVIDEND NOTICE

Notice is hereby given that a Dividend of thirty-five cents (0.35) per share has been declared by the Board of Directors for the quarter ending March 31st, 1950, payable on April 21st, 1950, plus an Extra Dividend of fifty cents (0.50) per share, have been declared on the No Par Value Common Stock of The Foundation Company of Canada Limited, payable April 21st, 1950, to shareholders of record at the close of business on March 31st, 1950.

By Order of the Board.

A. G. SULLIVAN, Secretary.

Montreal, P.Q. February 22nd, 1950.

LA LUZ MINES LIMITED
DIVIDEND NO. 4

NOTICE IS HEREBY GIVEN that a dividend of Five Cents (5c) per share has been declared by the Directors of La Luz Mines Limited, payable in Canadian funds on April 12, 1950, to shareholders of record March 10th, 1950.

By Order of the Board.

A. G. FULTON, Secretary.

February 22nd, 1950.

Sicks'
SICKS' BREWERIES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend (No. 83) of thirty cents (.30) per share on the outstanding capital stock of the Company, has been declared, payable on the 31st day of March, 1950, to shareholders of record at the close of business on the 1st day of March, 1950.

By Order of the Board,

I. N. WILSON, Secretary.

CALGARY, Alberta, February 22, 1950.

BELGIUM GLOVE & HOSIERY CO. OF CANADA LTD.
DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1¾% on the Preferred Shares and a dividend of 15c on the Common Shares have been declared, payable April 1st, 1950, to Shareholders of record at the close of business March 15th, 1950. Cheques will be mailed in payment. Transfer books will not close.

By Order of the Board.

JOHN G. PORTEOUS, K.C., Secretary

Montreal, February 22nd, 1950.

Frank W. Horner Limited
NOTICE OF DIVIDEND

Notice is hereby given that Dividend of twelve and one half cents (12½c) per share on the outstanding class "A" shares of the Company, has been declared payable on or after the first day of April, 1950, to shareholders of record at the close of business on March 1st, 1950.

W. W. GRAHAM, Secretary-Treasurer.

Dated at Montreal, February 22nd, 1950.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED
DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending March 31, 1950, has been declared on the Common Stock of the Company.

The above dividend is payable April 1, 1950, to shareholders of record at the close of business March 15, 1950.

By Order of the Board.

W. H. Nesbitt, Secretary.

Toronto, February 22, 1950.

DIVIDEND NOTICES

WOOL COMBING CORPORATION OF CANADA LTD.

A quarterly dividend of forty cents (40c) per share on the outstanding shares of the par value of five dollars ($5) each of the Company has been declared payable April 10, 1950, to shareholders of record March 25, 1950.

Dated at Toronto this 24th day of February, 1950.

D. A. McINTOSH, Secretary.

Crown Trust Company
DIVIDEND NOTICE

NOTICE is hereby given that a dividend of $1.25 per share has been declared on the Capital Stock of the Company for the quarter ending March 31, 1950, payable April 1, 1950, to shareholders of record at the close of business March 20, 1950.

By Order of the Board

C. D. HENDERSON, Secretary.

THE MONARCH KNITTING COMPANY, LIMITED
NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the 4½% cumulative redeemable sinking fund preference shares:

A quarterly dividend of $1.12½ per share for the quarter ending March 31, 1950, payable on and after April 1, 1950, to the holders of record at the close of business on March 10, 1950.

On the common shares:

A quarterly dividend of 25c per share for the quarter ending March 31, 1950, payable on and after April 1, 1950, to the holders of record at the close of business on March 10, 1950.

By order of the Board.

D. A. McINTOSH, Secretary.

Toronto, February 24, 1950.

INDUSTRIAL ACCEPTANCE CORPORATION LIMITED
DIVIDEND NOTICE

Notice is hereby given that the following dividends have been declared for the quarter ending March 31st, 1950:

5% Preferred Stock

One dollar and twenty-five cents ($1.25) per share on the $100.00 Par Value 5% Preferred Shares (being at the rate of $5.00 per share per annum).

4¼% Preferred Stock

One dollar and six and one-quarter cents ($1.06¼) per share on the $100.00 Par Value 4¼% Preferred Shares (being at the rate of $4.25 per share per annum).

5% Convertible Preferred Stock ($25.00 P.V.)

Thirty-one and one-quarter cents (31¼c) per share on the $25.00 Par Value 5% Convertible Preferred Shares (being at the rate of $1.25 per share per annum).

5% Convertible Preferred Stock ($32.00 P.V.)

Twenty cents (20c) per share on the $32.00 Par Value 5% Convertible Preferred Shares for period February 15th to March 31st.

Common Stock

Fifty cents (50c) per share on the No Par Value Common Shares,

payable in each case on March 31st 1950, to Shareholders of record at the close of business on 3rd March 1950.

By Order of the Board.

L. E. CUTHBERTSON, F.C.I.S., Secretary

Montreal, P.Q., February 23, 1950.

VERNEY CORPORATION OF CANADA LTD.
DIVIDEND NOTICE
PREFERRED SHARES

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1⅛% per share has been declared on the outstanding 4½% Cumulative Redeemable Preferred Shares, payable April 1st, 1950, to Shareholders of record at the close of business on March 15th, 1950.

JOHN G. PORTEOUS, K.C., Secretary.

Montreal, P.Q., February 24th, 1950.

THE BELL TELEPHONE COMPANY OF CANADA
NOTICE OF DIVIDEND

A quarterly dividend of fifty cents per share has been declared payable on the 15th day April, 1950 to shareholders of record at the close of business on the 15th day of March, 1950.

Montreal, Feb. 22, 1950

S. C. SCADDING, Secretary

Robinson, Little & Company, Limited
WINNIPEG, MANITOBA

Dividend on Common Stock

NOTICE IS HEREBY GIVEN that a quarterly dividend of Twenty Cents (20c) per share has been declared on the Common Stock of the Company, payable on the 31st day of March, 1950 to shareholders of record at the close of business on the 15th day of March, 1950.

By Order of the Board.

HERBERT J. SADLER, Secretary.

Dated at Winnipeg, Manitoba, February 24th, 1950.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ST. LAWRENCE PAPER MILLS CO. LTD. net profit for 1949 of $4,050,258 was 36.2% higher than the 1948 net of $2,973,745. Net sales were lower at $16,571,193 as against $17,125,777 for, while newsprint production was higher, there was no production of surplus sulphite and groundwood compared with 10,440 tons in 1948. Operating profit was up from $4,663,595 to $6,163,500 and dividends received from Lake St. John Power & Paper increased from $903,300 to $1,103,435.

Reduction of inventories reflects the company's policy of reducing them to more normal requirements in view of easier replacements but provides sufficient for capacity operations.

Net working capital increased by $2,496,942. Change in the method of treating the reserve for pulpwood inventory, whereby it is set out on the balance sheet on the liability side rather than being deducted from the asset, accounts for $1,115,103 of this increase.

During the year the company purchased and cancelled 35,314 second preferred shares at a cost of $1,540,627, leaving outstanding 78,348 of these shares, President P. M. Fox stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$5,918,334	$4,491,083
Add: Divds. red.	1,103,435	903,301
Less: Deprec.	850,000	850,000
Depletion	31,511	51,919
Spec. exp.	......	83,720
Income taxes res.	2,090,000	1,435,000
Net profit	4,050,258	2,973,745
Less: Pref. (old) div.	......	967,745
1st pref. divds.	748,839	374,394
2nd pref. divds.	224,082	139,090
Common divds.	1,029,350	900,682
Capital exp.	1,540,627	500,661
Surplus for year	507,360	91,173
Earnings per Share and Dividend Record:		
1st Preferred	$32.43	$23.81
Paid	6.00	3.00
2nd Preferred	42.14	19.57
Paid	2.40	1.20
Pref. (old) paid or payable	......	‡7.75
Common (new)§	4.04	1.85
Paid	2.00	1.75

‡Arrears.
§After 2nd pref. sink. fund.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$3,922,536	$1,368,777
Acc'ts. rec.	1,747,179	1,621,462
Inventories	4,624,858	4,749,377
Total curr. assets	10,294,573	7,739,616
Cash on dep.	45,138	60,030
Subs. inv. & adv.	4,417,466	4,401,505
Prepaid chgs.	162,997	79,944
Fixed assets	15,309,623	15,266,713
Total assets	30,229,797	27,547,808
Accts., etc., pay.	658,762	919,397
Taxes pay.	1,567,768	1,249,118
Total curr. liab.	2,226,530	2,168,515
Contingent res.	300,000	180,000
Depr. & depl. res.	10,410,644	9,529,133
Invent. res.	1,115,103	......
Capital stock	12,955,648	12,990,962
Capital surplus	907,961	872,647
Earned surplus	2,313,911	1,806,551
Working capital	8,068,043	5,571,101

LAKE ST. JOHN POWER & PAPER CO. LTD. reports a net profit of $1,332,808 for 1949, down 33.9% from the 1948 figure of $2,016,931. While newsprint production was up slightly at 102,793 tons, sulphite production, due to lower demand for unbleached sulphite, dropped 22,457 tons.

Reduction of inventories by $539,758 reflects the company's policy of reducing inventories to more normal requirements in view of easier replacements, but is said to provide sufficient for capacity operations.

Net working capital increased by $884,559. Change in the method of treating the pulpwood reserve for inventory, whereby it is set out on the liability side of the balance sheet rather than deducted from the asset, accounts for $229,288 of this increase.

It is expected that sales of newsprint will continue at a high level in 1950, states P. M. Fox, president.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$3,175,891	$4,311,529
Less: Deprec.	534,496	517,610
Depletion	86,089	172,193
Interest	252,308	315,512
Prov. for taxes	975,000	1,295,000
Add: Misc. prof.	4,810	5,717
Net profit	1,332,808	2,016,931
Less: Pref. divds.	108,000	108,000
Com. divds.	1,000,000	800,000
Surplus for year	224,808	1,108,931
Times All Interest Earned:*		
Before deprec.	12.25	13.12
After deprec.	10.13	11.48
*After depletion.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$74.04	$112.05
Paid or payable	6.00	6.00
Common: Earned	12.25	19.09
Paid	10.00	8.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,261,097	$186,044
Accts. & bills rec.	966,541	1,076,264
Inventories	4,864,658	5,175,128
Total curr. assets	7,092,296	6,437,436
Misc. assets	114,701	124,134
Fixed assets	14,516,135	14,440,353
Total assets	21,723,132	21,001,923
Total curr. liab.	1,021,048	1,250,748
Funded debt	5,737,850	5,980,600
Depr. & depl. res.	9,196,948	8,576,363
Other reserves	441,172	90,000
Capital stock	2,300,000	2,300,000
Capital surplus	316,332	316,332
Earned surplus	2,709,782	2,487,880
Working capital	6,071,248	5,186,688

BROMPTON PULP & PAPER CO. LTD. net profit for 1949 was $963,087, down 37.7% from the 1948 net of $1,547,120. Decline is due mainly to a drop in sales from 192,360 tons in 1948 to 145,470 in 1949 and lower selling prices of groundwood and sulphate pulps. Value of sales fell from $20,259,902 to $16,150,850.

Inventories are cut by $1,719,428, to more normal requirements in view of easier replacements but considered sufficient for capacity operations.

Net working capital increased by $2,210,814. Change in the method of treating the reserve for pulpwood inventory, whereby it is set out on the liability side of the balance sheet rather than deducted from the asset, accounts for $1,283,916.

Capital expenditures at the Red Rock division amounted to $192,837. At East Angus, $126,992 was expended, largely in improvements in the Cylinder Board Mill, states N. A. Timmins, Jr., president.

The 5% General Mortgage Debenture Stock due Jan. 2, 1956, in amount of $325,976, was called for redemption and the necessary funds have been deposited with the trustee. Added to current liabilities is $500,000 to provide for one of the debenture notes of the company which matured on Jan. 2, 1950.

No provision has been made in the financial statements for a claim for damages instituted against the company as a result of a flood at Bromptonville in the spring of 1948. The claim is being vigorously protested, it is stated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$3,256,313	$4,456,893
Less. Deprec.	1,013,348	1,300,729
Depletion	4,926	6,341
Interest	324,658	287,703
Spec. eng. exp.	75,294	......
Income taxes res.	875,000	1,315,000
Net profit	963,087	1,547,120
Less: Dividends	300,000	930,000
Surplus for year	663,087	617,120
Earnings per Share and Dividend Record:		
Common: Earned	$3.21	$5.16
Paid	1.00	3.10

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,589,397	$133,827
Accts rec.	2,082,331	2,491,191
Investments*	62,592	84,782
Inventories	7,536,853	7,972,365
Total curr. assets	11,271,173	10,682,165
Misc. assets	237,983	247,656
Fixed assets	18,719,855	18,981,501
Total assets	30,229,011	29,911,322
Bank loan	......	150,000
Debent. note pay.	500,000	......
Accts., tax., etc., pay.	1,623,681	3,595,488
Total curr. liab.	2,123,681	3,745,488
Mortgages	627,321	583,688
Funded debt	6,700,000	7,725,976
Depr. & depl. res.	8,874,226	8,120,326
Other reserves	1,535,916	......
Capital stock	7,500,000	7,500,000
Capital surplus	......	132,865
Earned surplus	2,867,867	2,102,979
*Market value	62,725	80,480
Working capital	9,147,492	6,936,677

ST. LAWRENCE CORP. LTD. reports consolidated net profit of $5,174,311 for 1949, down 5.6% from the 1948 net of $5,480,344. Gross revenues were $13,126,515 as against $13,733,955 for the previous year. Net profit of the parent company alone, consisting solely of dividends received from its subsidiaries, was $1,285,812 compared with $1,249,969 in 1948.

The earnings of the three manufacturing subsidiaries of the company (St. Lawrence Paper Mills, Lake St. John Power & Paper and Brompton Pulp & Paper) were, in the aggregate, slightly lower than in 1948, due largely to the weak market for sulphate, sulphite and groundwood pulps, states David Van Alstyne, Jr., chairman of the board.

The company retired 42,580 shares of its second preferred stock at a cost of $587,077, bringing to 66,226 the number of preferred retired since the plan of reorganization adopted in 1948 became effective. Number of preferred now outstanding is 198,175.

CONS. INCOME ACCOUNT*

Years Ended Dec. 31:	1949 $	1948 $
Net earnings	12,297,511	13,259,280
Less: Depr. & depl.	2,251,391	2,899,732
Interest	587,467	613,715
Reorg. exp.	......	203,115
Spec. eng. exp.	75,294	......
Income tax	3,939,048	4,062,374
Net profit	5,174,311	5,480,344
Less: St. L. Paper:		
Pref. divds.	972,921	1,481,229
Min. int.	7,239	8,217
St. L. Corp.:		
1st pfd. divds.	528,802	264,401
2nd pfd. divds.	162,483	92,972
Old pref. divds.	......	528,802
Cost of St. L. Pap. Shs. cancelled	2,127,704	859,725
Surplus for year	1,375,162	2,244,898
Earnings per Share† and Dividend Record:		
1st Preferred	$12.08	$13.05
Paid	2.00	1.00
2nd Preferred	13.45	12.13
Paid	0.75	0.37½
Common§	1.72	1.92
None paid.		
Old Pref.: Paid	......	*2.00

*On arrears.
†Based on present capitalization, after allowing for St. Lawrence Paper preferred divds. and $1,000,000 sinking fund.
§After allowing for 2nd pref. sinking fund of $500,000.

GENERAL INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Brompton divd.	$224,924	$929,120
St. Lawrence Paper Mills divd.	1,154,919	513,168
Less: Expenses	94,031	72,923
Reorg. exp. prov.	......	119,396
Net profit	1,285,812	1,249,969
Less: Cl. A divd.	......	528,802
1st pref. divd.	528,802	264,401
2nd pref. divd.	162,483	92,972
Cost of shs. red'med	587,077	359,064
Surplus for year	7,450	4,730
Earnings per Share and Dividend Record:		
1st preferred	$4.86	$4.73
Paid	2.00	1.00
2nd preferred	3.82	3.00
Paid	0.75	0.37½
Cl. A Pref. (old):		
Paid or payable	......	2.00
Com.: Earned▲	§0.08	§0.03
None paid.		

▲After full year's pref. divd.
§After allowing for 2nd pref. sinking fund of $500,000.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$7,205,536	$2,180,310
Investments†	67,592	89,782
Accts. rec.	4,659,326	4,983,857
Inventories	17,026,369	17,896,870
Total curr. assets	28,958,823	25,150,819
Misc. assets	566,799	517,298
Diff. bk. val. subsid. invest.	9,203,341	9,072,554
Fixed assets*	48,570,985	48,711,584
Total assets	87,299,948	83,452,255
Bank loans, sec.	......	150,000
Debent. note pay.	500,000	......
Accts., etc., pay.	1,409,018	3,213,504
Taxes pay.	3,001,361	3,259,299
Dividends pay.	404,169	433,827
Total curr. liabs.	5,314,548	7,056,630
Funded debt	13,365,171	14,590,264
Depr. & depl. res.	28,499,416	26,242,407
Contingency res.	763,883	270,000
Invent. res.	2,628,308	......
Minority int.	12,474,857	12,520,497
Capital stock	13,736,417	13,778,997
Capital surplus	2,181,462	2,135,421
Earned surplus	8,335,886	6,858,039
†Mkt. value	62,725	80,480
*Less amts. w/o	23,550,359	23,550,359
Working capital	23,644,275	18,094,189

Edmonton to Get New Gov't Building

From Our Own Correspondent

EDMONTON — Tenders will be called shortly for a $600,000 Alberta land titles building here. Architect is the firm of Patrick-Cambell-Hope.

NOTICES

The Borden Company
ANNUAL MEETING

The annual meeting of stockholders will be held on Wednesday, April 19, 1950, at 11:00 o'clock A.M. (Eastern Standard Time) at 43 Park Avenue, Flemington, Hunterdon County, New Jersey.

Only stockholders of record at the close of business on Tuesday, March 21, 1950, will be entitled to vote at said meeting, notwithstanding any subsequent transfers of stock. The stock transfer books will not be closed.

The Borden Company

THEODORE D. WAIBEL, *Secretary*

$25 Million Plan Proposes Vast Changes in Edmonton

From Our Own Correspondent

EDMONTON — Terms for a $25 millions commercial-shopping project in downtown Edmonton have been given to City Council by L. E. Detwiler, managing consultant for the First New Amsterdam Corp. of New York City.

The proposal offers no cash guarantee to the city. Instead the city is offered in lieu of taxes 25% of the rental from the projects, after deducting "the usual maintenance and operating charges, and amortized principal and interest on borrowed capital, said 25% to be paid prior to income tax; and to turn back to the city the whole project free of all encumbrances at the expiry of the lease." The lease is for 99 years.

Detwiler states buildings to be erected will provide for all types of merchandising, for offices, banks, trust companies, etc.; food stores of every type, a professional building for doctors, dentists, etc.; general office space; and in addition an auditorium with a seating capacity of 2,500 for concerts, lectures and other entertainment.

Of the land involved, four city blocks square, only one-third of the surface area will be built with buildings and the other two-thirds will be used for car parking and parks.

If the plan is approved, a Canadian corporation called Edmonton City Centre Ltd., with a stock capital of $2 millions, would be formed. Arrangements for the additional $23.5 millions would be made later.

The city's contribution would be to provide land and street space. The city would always own the land, and would have to pay for clearing present structures off the land.

Promised is building of at least 1.3 million square feet of floor space, of which 1 million square feet would be rentable. Parking for at least 1,600 cars would be provided.

Detwiler reports $50,000 already has been spent on plans and data for the project.

"We feel," he said, "that the consideration of this contract should be the value of the plans we have prepared and shown to the city, plus our services already rendered in this connection, as well as the additional expenses we will incur to develop the final building plans, obtaining the necessary leases and financing."

This would mean the city will be offered no payment in return for the 99-year lease contract.

The brief proposes underground passageways to connect the project with the new C.N.R. Macdonald Hotel extension and the C.N.R. station.

INTERNATIONAL NICKEL CO. OF CANADA: A further 50 shares of $100 par value preferred stock has been issued in exchange for 1,000 shares of $5 par value stock.

J. ROSS JENKINS

vice-president and general manager, Th: T. Eaton Co. Ltd., British Columbia, has been appointed a director, The T. Eaton Co. Ltd., Canada.

American Brake Shoe Consolidates in Canada

Dominion Brake Shoe Co. Ltd. of Montreal has now taken over all operations in Canada of its parent organization, American Brake Shoe Co. with acquisition of operating assets and business of Joliette Steel Ltd., and Ramapo of Canada Ltd., also American Brake Shoe subsidiaries.

With head offices in Montreal, Dominion Brake Shoe will operate plants at Lindsay, Niagara Falls and St. Thomas in Ontario and Joliette in Quebec. Principal products are: brake shoes, track equipment, manganese steel castings, automotive brake lining, air compressors and paint spray equipment.

Six Alta. Firms Seek Cut In Coal Royalty

From Our Own Correspondent

EDMONTON—Six Alberta coal companies have tried in Supreme Court to have declared ultra vires 1948 Alberta Government legislation which raised coal royalties. Mr. Justice C. C. McLaurin has reserved judgment.

While official figures are not available, it is stated unofficially that between $300,000 and $500,000 revenue annually to the provincial government is involved.

Under terms of the 1948 provincial legislation, royalties on coal on land grants were raised from seven cents per ton to 15 cents and on coal on leased lands from five to 10 cents per ton. The lesser figures were the royalty rates charged by the Federal Government before the Natural Resources Transfer Agreement of 1929 went into effect.

Plaintiffs in the action are: West Canadian Collieries Ltd., Blairmore; International Coal and Coke Company Ltd., Coleman; McGillivray Creek Coal and Coke Company Ltd., Coleman; Hillcrest Mohawk Collieries Ltd., Bellevue; Cadomin Coal Company Ltd., Cadomin; and Brazeau Collieries Ltd., Nordegg. They are represented by H. S. Patterson, Sr., and H. S. Patterson, Jr., of Calgary.

Defendant is the attorney-general of Alberta, represented by Deputy Attorney-General H. J. Wilson and W. Y. Archibald.

The plaintiffs contend that under the 1929 agreement, royalties could not be raised without the consent of the parties concerned, or unless the increase was applied to all similar agreements, irrespective of who the parties are. They claim the provincial legislation lacks the required generality to bring it under the terms of the National Resources Transfer Agreement.

The province argues that it has the right to raise the royalties and has conformed with the transfer agreement in that the raised royalties affect all grants and leases in which the Crown is a party.

It is pointed out that in such instances where the C.P.R. has made the leases or grants, the Crown is not a party.

In some respects this litigation is similar to that between Huggard Assets Limited, of Winnipeg, and the provincial government. This case has gone, or is going, to the Supreme Court of Canada. The dispute revolves around the right of the province to levy petroleum and natural gas royalties on 1,280 acres of land in the Fort McMurray oil sands area. Title to this land was granted long before the natural resources were transferred from the Federal Government to the province. In this particular title, which has come down through a chain to its present holders, the company claims the provincial government cannot levy royalties.

Grain Prices

Chicago Futures
Week to Feb. 27, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Feb. 27
		Wheat—			
2.22¼	1.86	Mar.	2.22¼	2.19⅞	2.21
2.16¼	1.19¼	May	2.14¼	2.09⅞	2.13¼
1.99	1.84	July	1.95¼	1.90¼	1.93⅞
1.96	1.86¼	Sept.	1.96	1.91	1.94¼
1.97⅞	1.88¼	Dec.	1.97⅞	1.92⅞	1.96⅞
		Corn—			
1.33⅞	1.13½	Mar.	1.30	1.28⅞	1.29¼
1.33⅞	1.13½	May	1.29¼	1.27⅞	1.29
1.31⅞	1.19	July	1.28¼	1.26	1.27⅞
1.28⅞	1.17¼	Sept.	1.24¼	1.21½	1.23⅞
1.18	1.10⅞	Dec.	1.17	1.14¼	1.16⅞
		Oats—			
.76¼	.62⅞	Mar.	.75	.73⅞	.74¼
.73⅞	.59⅞	May	.71¼	.70¼	.70½
.67¼	.56¼	July	.63¼	.62⅞	.62⅞
.66⅞	.59⅞	Sept.	.62⅞	.62	.62¼
.64⅞	.61¼	Dec.	.64⅞	.63¼	.63¼
		Rye—			
1.59¼	1.25⅞	May	1.32½	1.29	1.29⅞
1.52⅞	1.26⅞	July	1.34¼	1.30¼	1.31⅞
1.47	1.28¼	Sept.	1.36¼	1.32½	1.34
1.39¼	1.31⅞	Dec.	1.38¼	1.34¼	1.36¼
		Soybeans—			
		Mar.	2.42⅞	2.37	2.41
		May	2.39¼	2.33¼	2.38
		July	2.33½	2.27¼	2.33
		Nov.	1.98¼	1.92¼	1.97
		Jan.	1.99¼	1.92⅞	1.98¼

Chicago Cash

	For Week Feb. 27 High	Low	Prev. High	Week Low
Corn—				
2 Yel.	1.35⅞	1.35¼	1.36¼	1.34
Oats—				
1 H. Wh.	.80⅞	.78	.80¼	.77¼

Winnipeg Futures
Week to Feb. 27, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Feb. 27
		Oats—			
.83⅞	.69⅞	May	.83⅞	.81⅞	.83¼
.80	.72¼	July	.79⅞	.78	.79¼
.76	.70½	Oct.	.76	.74⅞	.75
		Barley—			
1.45⅞	1.09¼	May	1.26⅞	1.22	1.26¼
1.41¼	1.09⅞	July	1.17¼	1.15⅞	1.16⅞
1.11¼	1.01¼	Oct.	1.11¼	1.08	1.11¼
		Rye—			
1.64	1.42¼	May	1.47½	1.43¼	1.43⅞
1.60⅞	1.36¼	July	1.46¼	1.41⅞	1.43⅞
1.44¼	1.33½	Oct.	1.43	1.38⅞	1.41⅞
		Flax—			
3.78	2.62	May	3.77¼	3.74	3.77¼
3.79	3.48	July	3.76¼	3.67¼	3.68⅞
3.42	3.27	Oct.	3.27	3.27	3.27

Winnipeg Cash

	For Week Feb. 27 High	Low	Prev. High	Week Low
Oats—				
2 C. W.	.88¼	.85	.85¼	.83¼
3 C. W.	.85⅞	.82¼	.82⅞	.80
Barley—				
1 Feed	1.23	1.19¼	1.23	1.20⅞
2 Feed	1.20⅞	1.16⅞	1.20⅞	1.18⅞
1 Malt	1.45¼	1.41⅞	1.45¼	1.42¼
Rye—				
2 C. W.	1.43	1.40	1.42⅞	1.41⅞
Flax—				
1 C. W.	3.78¼	3.75	3.77	3.67¼

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Trust Companies Make Drive to Handle More Corporation Group Pension Plans

Trust companies in Canada are making a strong bid for group annuity and pension business.

While trust companies have been in the pension field for many years as trustees of the investment funds of self administered pension plans, the present movement is more aggressive than anything ever before attempted. Inspiration for their greater activity in the group pension field appears to come from the United States, where trust companies claim to handle about 51% of existing corporation pension plans.

The trust companies are a big factor in pension plans established by a corporation independent of either the Dominion Government Annuities Branch or the life insurance companies. The two latter institutions set up the pension plan and handle the pension funds, etc. In self-administered funds, the employer may set up the plan himself, with such actuarial assistance as he feels necessary. He may handle the trust funds himself or contract with a trust company to invest the pension funds. The trust company may even deal with the individual cases covered by the trustee plan.

Compete More Actively

To the extent that trust companies are making a drive to handle pension funds paid into a trustee fund by the employer and employee, they are competing more actively with the Canadian Government annuities branch and the Life insurance companies. Under the trustee plan, the contributions of employer and employee are paid into the trust fund which, when the time comes, provides the pensions or other benefits of the plan. Normally the amount of the pension to be received at a certain time is not stated.

The money paid into the Annuities Branch or a Life insurance company is used to purchase an annuity of a stated amount.

In some cases industrial companies have kept control of pension funds themselves. But it is felt that it is preferable to have the whole pension plan handled by somebody else, such as a trust company, or else to place it with the Government or the life insurance company.

As regards the life insurance companies and the Government plans, the latter had a big advantage up to about two years ago, because the Government rates were so much lower, being based on an anticipated earnings rate of 4%, while most of the companies were working on a 3% rate or lower.

Government Rates Changed

About two years ago the Government started using a 3% interest rate for new business, adopted a more up-to-date mortality table. The result was that the difference in rates between the Government annuities and life insurance company annuities was greatly lessened, so that the life insurance companies have found the competition from the Government annuities branch not so strong as it was previously.

The number of individual Government annuity contracts issued the year after the Government set its new rates was 6,463 against 14,237 in the previous year. But the number of group certificates issued was 29,869 (26,708 in the previous 12 months.)

In some cases the trustee form of pension plan is set up by independent pension specialists, who then arrange for the funds to be paid over to the trust company to be invested and handled by it.

Entry of the trust companies into the pension field in a more active way has met with varying comments among life insurance men.

Because of the low rates of interest available on high-grade securities, and the increased life expectancy of the Canadian people, the annuity business has been found rather costly. Some life insurance company executives accordingly rather welcome the trust company drive for pension business. Others again feel that the pension business is closely allied to the life insurance business.

They argue that they, with their actuarial experts and studies of mortality, life expectancy, interest rates, etc., are better equipped than any other group to handle the pension business.

What are the main differences between the different methods of writing group pensions?

The Dominion Government plan which at the end of the last fiscal year had 809 group Contracts in effect with 113,645 persons covered, guarantees a stated pension and the individual knows exactly what he is getting. Contracts can be had which guarantee payment of the pension for life or for a stated number of years in case the holder dies. But there is at present no cash value which the owner of the contract can draw out, if he wishes it. This is the drawback to some, especially women employees who may be getting married. If they leave their employment, get married, they are not interested so much in getting a contract for a very small annuity as they would be in getting a lump sum of cash, say $200.

Recent reports, however, indicate that the Canadian Government plans to make its contracts more flexible.

Life insurance annuities at present are more flexible than government contracts, provide a cash value, which can be drawn out any time. Like the Government plan they provide an annuity of a stated amount, which the contract holder can depend on getting when the contract matures.

Trust company officers claim their plans are the most flexible of all and trust companies also claim they are cheaper because the trust company normally does not have the selling costs that either the Government or the life insurance company has, that it works on a higher rate of interest, say 3¼ to 3½% where an insurance company works on rates of 3% or lower; the Government on a 3% basis on new business. Service costs are lower, they say because the trust company charges only a set fee for handling the trust fund; if the contract holder wants to withdraw from the plan the return is larger than that from a life insurance company, because the latter deducts a surrender charge while the trust company does not.

Effect of Longer Life Span

But normally the trustee plan does not guarantee a stated pension such as $100 a month at age 65, as does the insured plan. When the contract holder under the trustee plan starts to draw his pension, if the average span of life of contract holders has been longer than estimated at first, or interest rates have fallen, benefits may have to be reduced.

Life insurance men claim that the life insurance companies have the advantage of a large volume of both insurance and annuity business which spreads all risks over a large number of people. Annuity groups by themselves are liable to considerable fluctuation in mortality unless the group is very large. Life insurance men say too that the life companies are offering more flexible contracts to meet new needs. They also claim that any advantage of cost is only in the early years of the contract.

A. C. L. MILLS

has been appointed director and general manager of Standard Motor Co. (Canada) Ltd., Toronto, a subsidiary of the British makers of Triumph and Vanguard cars.

Insurance Sales Slightly Lower

Purchases of new ordinary life insurance in January in Canada totaled $100.8 millions, a decline of 5.4% from January, 1949.

No particular significance is attached to the decline as a number of companies report their business in 1950 to the end of February as equal to or above the 1949 levels. The January decline is attributed in some quarters to a seasonal easing of efforts.

All provinces except Saskatchewan report January sales below last year.

The figures released by the Canadian Life Insurance Officers Association are based on reports by 50-odd companies doing more than 95% of the business in Canada. Industrial life insurance sales in January totaled $12.1 millions, group sales $13.7 millions.

SALES OF NEW ORDINARY LIFE INSURANCE IN CANADA
Sales in January
000's of $

	1950	1949
British Columbia	7,775	7,913
Alberta	6,785	7,318
Saskatchewan	3,686	3,474
Manitoba	5,041	5,620
Ontario	45,199	47,254
Quebec	26,181	28,053
New Brunswick	2,560	2,712
Nova Scotia	2,837	3,129
Prince Edward Island	355	500
Newfoundland	595	648
Total	100,814	106,621

Sales by Months
000's of $

	1950	1949
January	100,814	106,621
February	......	99,239
March	......	104,662
April	......	102,917
May	......	106,831
June	......	112,731
July	......	103,496
August	......	89,565
September	......	91,047
October	......	108,455
November	......	125,457
December	......	111,550
		1,262,571

Ontario Has Fewer Fires With Losses Down in 1949

Ontario reports a decline in fire losses and total monetary loss due to fire in 1949, as compared with 1948, Provincial Fire Marshal W. J. Scott reports. It was the first decline in total monetary losses for any year since 1943, and in some quarters is taken to mean that fire losses in Ontario have passed their high point for the current cycle.

The decrease in both number of fires and monetary loss is especially impressive, in view of the industrial activity and increased values of property during the year. It indicates to some extent that fire prevention measures in the province are bearing fruit.

Number of fires in Ontario in 1949 was 17,776, down 642 from 1948, the total monetary loss at $17.8 millions being down $2.6 millions, while the insured losses totalled $14.2 millions or $1.6 millions lower.

Although the losses for the whole year were down, the last quarter of the year showed increases in both number and monetary loss in fires in the province. The number of fires rose 1,046, with total losses up $286,233 and insured losses up $314,908. The figures for 1949 however are preliminary while those for the last quarter of 1948 are revised.

Fire Fatalities

Fire Marshal W. J. Scott reports fire fatalities in the fourth quarter at 31 (33 in 1948). Of the 1949 fatalities, 14 were men, five women and 12 children. Fire fatalities for the whole of 1949 totaled 111 (or 28 fewer than in 1948). The 1949 figures do not include approximately 119 who died on the SS Noronic at Toronto in September.

There were 15 large fires in the last quarter with losses of $50,000 or over. They were: sawmill at Dalton $168,057; lumber warehouse, at Toronto $150,127; hardware store, Brockville $143,887; skating club, Ottawa $126,549; theatre, St. Thomas $92,055; furniture store, St. Catharines $85,300; church, New Liskeard $82,925; chopping and feed mill, Ayr, $75,048; school, Sutton $73,628; manfr. window displays, Hamilton, $71,387; mining risk Mississagi Reserve, $65,000; stores and apts., Ottawa, $64,950; Shipping depot Toronto, $63,741. Grocery store Emsdale $53,000; hotel, Sioux Lookout $50,000.

During 1949, there were criminal cases in the courts involving fire crimes. These resulted in 24 convictions, 10 acquittals with two still pending. The convictions were 11 for arson, one attempted arson, four negligence causing fire and eight other fire crimes. The two pending cases are for arson.

Figures for the 12 months and the last quarter follow:

ONTARIO FIRE LOSSES
Twelve Months Ending Dec. 31

	No. of fires	Total loss	Insured loss
1949	17,776	17,889,085	14,221,492
1948	18,418	20,557,149	15,903,730
Decrease	642	2,668,064	1,682,238
Fourth Quarter			
1949	5,138	4,697,967	3,680,306
1948	4,092	4,411,734	3,365,398
Increase	1,046	286,233	314,908

Zeller Shareholders Approve Stock Split

Shareholders of Zeller's Ltd. approved the bylaw providing for a five-for-one split of the common shares at a special meeting last week.

There are 125,000 no par value common shares outstanding out of an authorized 150,000 shares. The split will increase the authorized common to 750,000 shares of which 625,000 will be issued and outstanding.

U. S. Humidifier Firm Sets Up Windsor Branch

Skuttle Manufacturing Co. of Detroit, manufacturers of humidifiers and barometric draft controls, has formed a Canadian subsidiary, Skuttle Manufacturing Co. of Canada Ltd. The new company has head offices at Windsor. Canadian sales arrangements will continue to be handled by B. D. Wait Co. Ltd. of Oakville, Ont.

Higher CIL Dividend Paid In First Quarter

MONTREAL (Staff) — For the first time since 1946, Canadian Industries Ltd. has increased the first quarter dividend on its common shares. Directors declared a dividend of 20c a common share payable April 29 to shareholders of record March 31. This compares with 17½c a common share paid for the first quarter of each of the three preceding years.

Total dividend payments from earnings of the 1949 fiscal year amounted to 80c a share—three dividends of 17½c a share each having been paid during 1949 and a dividend of 27½c a share being paid Jan. 31, 1950.

ST. LAWRENCE PAPER MILLS CO. As of Feb. 20 a total of 76,256 shares of second preferred stock were outstanding.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COMMERCIAL LIFE ASSURANCE CO. of Canada shows gains in all important items in 1949. New business written set a new high record at $5.1 millions, while business in force increased over $2.2 millions to $24.3 millions, including group insurance of $3.1 millions.

Premium and investment income were both higher than in 1949, while death claims were lower than usual. Over 75% of all sums paid under Commercial Life insurance contracts in 1949 went to living policyholders in endowments, income bonds, cash values, dividends, etc. The company's assets at over $5 millions showed a record increase, 70% of the whole being invested in government, municipal and corporate bonds and debentures, of which Canadian Government issues are nearly two thirds. The company has moved to larger quarters on Richmond St. West, Toronto.

	1949 $	1948 $
Business in force	24,349,491	22,126,109
New business	5,169,758	4,560,589
Total receipts	920,380	888,375
Premiums	684,142	638,015
Int., divds., etc.	172,629	156,365
Policy payments	278,941	344,781
Liabs. to pol'holders incl. actuarial res.	4,449,101	4,109,214
Liabs. to shareholders	148,480	164,548
Other liabs.	101,519	23,416
Other res.	243,548	298,436
Total assets	5,097,684	4,703,919
Surplus	155,034	108,304
Interest earned	3.77	3.77

PORTAGE LA PRAIRIE MUTUAL INSURANCE CO. reports increased business in 1949. Net premiums written and earned in the year after deducting reinsurance and making adjustments for unearned premium reserve were $676,072. Total losses and expenses incurred were $617,676 leaving an underwriting gain for the year of $58,395. Interest earned during the year was $46,722, and these two items with other income added totalled $115,231. Increase in reserve for unlicensed and unsecured reinsurance took $29,328, and investment write-off $14,460. Other charges brought the whole deductions for the year to $44,646, before income tax. After total income tax provision, net gain for the year was $45,970. Total assets increased almost $200,000 to $2.1 millions. Unassessed premium notes outstanding were $1,078,889 ($999,843 in 1948).

Fire insurance in force on Dec. 31 totalled $220.9 millions of which $62.4 million was reinsured, leaving a net risk of $158,523,701. Of the gross amount, $86.2 millions was on the premium note plan.

Windstorm business totalled $5.2 millions of which $1.9 millions was reinsured a net risk of $3.2 millions. Of the gross amount $4.1 millions was on the premium note system.

	1949	1948
Admitted assets	$2,100,118	$1,916,190
Investments	1,666,117	1,575,704
Cash	280,539	220,190
Other	153,463	120,296
Unassessed pr. notes	1,078,889	999,843
Unpaid claims, net	42,004	43,379
Unearned prem. res.	427,753	363,215
Other res. & liabs.	535,966	459,170
Surplus unallotted	1,094,395	1,048,425

SANGAMO CO. LTD. net profit of $328,765 for 1949 was slightly higher than the 1948 net of $325,486. Sales were 3½% higher but operating costs also increased. Due to a changed sales pattern, there was a recovery of certain materials and components, previously written off as dormant or obsolete. This, coupled with the 10% premium on the company's favorable U. S. dollar position, helped maintain earnings.

Export sales, a large part of them in the U. S., were at a record high. With the proceeds from U. S. sales the company was able to finance all its purchases there and also sell large sums of U. S. dollars to the F.E.B.C., at a 10% premium since September, 1949.

Savings were effected by improved methods, machine tools and steady development of a cost reduction program. During the year $145,000 was spent on machinery, major tools and dies and plant equipment. The 14,000 sq. ft. addition to the main Leaside plant proved inadequate and in Jan., 1950, a start was made on a 26,000 sq. ft. addition which is expected to be in full use by early summer.

Sales of capacitors manufactured at the Newmarket plant increased by about 80% over 1948, but were still not sufficient to permit of profitable operation, G. W. Lawrence, president, stated. Output of meter parts at Newmarket again contributed to over-all results.

It is hoped that loss of export sales in 1950, due to lack of U. S. dollars, will be offset by an increase in domestic sales.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$777,890	$747,312
Less: Deprec.	221,025	211,451
Bond int.	18,100	19,375
Income tax res.	210,000	191,000
Net profit	328,765	325,486
Less: Com. divds.	108,728	90,607
Surplus for year	220,037	234,879
Earnings per Share and Dividend Record:		
Com.: Earned	$1.81	$1.80
Paid	0.60	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$439,154	$27,703
Accts. rec.	688,041	597,445
Inventories	1,489,207	1,775,972
Total curr. assets	2,616,402	2,401,120
Prepaid chgs., etc.§	48,517	56,025
Misc. assets▲	12,273	11,754
Fixed assets*	735,757	805,033
Total assets	3,412,949	3,273,932
Accts. & tax. pay.	487,548	493,568
Ser. bd. due	75,000	75,000
Total curr. liab.	562,548	568,568
Funded debt	525,000	600,000
Contingent res.	120,000	120,000
Capital stock	505,135	505,135
Earned surplus	1,700,266	1,480,229
*After depr. of	1,042,024	922,049
▲Incl. ref. EPT	4,747	4,747
Working capital	2,053,854	1,832,552

§Included in curr. assets in co's report.

LA COMPAGNIE FONCIERE DE MANITOBA LTD. shows net profit of $24,709 for 1949, up 13.4% from the 1948 net of $21,787.

Liabilities to the public amounted to $44,473 ($41,952 in 1948) and were secured chiefly by realty for sale of $477,655 ($475,998) and mortgage and sales agreements of $149,735 ($155,918).

Although the 1949 crop was lower, especially in Saskatchewan, city revenues rose and profits therefore showed an increase, J. A. M. de La Giclais, president, stated.

A dividend, payable in March, will be declared.

	1949	1948
Liabs. to public, etc.*	$44,473	$41,952
Shareholders' equity	633,100	627,375
*Secured by:		
Mtges. & sls. agree.	149,735	155,918
Realty for sale‡	477,655	475,998
Liquid assets†	50,243	37,411
Total	677,633	669,327
‡Includes office premises & equipment.		
†Includes bonds and stocks.		
Net profit	24,709	21,787
Earned per Share	$3.09	$2.72
None paid.		

CERTIFICATE OF REGISTRY

NOTICE is hereby given that the Mutual Implement and Hardware Insurance Company has been granted Certificate of Registry No. C-1206 by the Dominion Insurance Department authorizing it to transact in Canada the business of Personal Accident Insurance and Sickness Insurance in addition to the classes for which they are already registered.

Rodney Hull
LOW COST LIFE INSURANCE
THE MUTUAL LIFE OF CANADA
EL. 8371

HARRY PRICE INSURANCE AGENCIES LIMITED
TORONTO • WINNIPEG
15 King W. AD. 5064 • Paris Bldg. 925-531

Dominion Appraisal Company Limited
Studies of practical value and depreciation.
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TORONTO ELgin 5928

The Wawanesa Mutual Insurance Company
ORGANIZED IN 1896
Admitted Assets .. $9,273,712.41
Surplus 3,596,934.20
Dom. Govt. Deposit 2,447,256.33
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STEEL PLATE ENGRAVERS and PRINTERS
MONTREAL OFFICE 360 St. James Street West — HEAD OFFICE — OTTAWA 224 Wellington Street — TORONTO OFFICE 25 King Street West
PERCY J. WOOD Vice-President — PHILIP B. TOLLER President — FREDERICK E. LAVIS Manager of Sales
D. M. COOLICAN Vice-President and Secretary

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MELCHERS DISTILLERIES, LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1949

(Including Details of the Earned Surplus Account for the Year Ended 31st December, 1949)

ASSETS

CURRENT:			
Cash on hand and in banks		$ 42,578.36	
Accounts Receivable	$ 79,427.90		
Less: Reserve for Doubtful Accounts	2,000.00	77,427.90	
Refundable Portion of Excess Profits Taxes, receivable in 1950 and 1951		296,830.34	
Inventories of Matured and Unmatured Spirits, Raw Materials, Manufacturing and Other Supplies, valued at not more than cost		1,661,883.60	$2,078,720.20
CASH SURRENDER VALUE OF LIFE INSURANCE POLICY			2,355.12
DEFERRED CHARGES:			
Unexpired Insurance and Taxes and Other Prepaid Items, and Deferred Expenses			18,063.33
FIXED:			
Land, Buildings, Machinery and Equipment, at depreciated replacement values as appraised by the Canadian Appraisal Company, Limited in December 1936, with subsequent additions at cost		1,864,186.74	
Less: Reserve for Depreciation		754,716.30	1,109,470.44
TRADE MARKS, FORMULAE, PATENTS AND GOODWILL			1.00
			$3,208,610.09

Approved on behalf of the Board:
V. MARCHAND, F. W. ROFFEY } Directors.

LIABILITIES

CURRENT:				
Bank Loan			$ 400,000.00	
Accounts Payable and Accrued Liabilities			100,877.99	
Deposit re Production Contract			78,984.24	
Taxes Payable			94,398.98	$ 674,261.21
RESERVE FOR CONTINGENCIES				40,000.00
CAPITAL STOCK:				
Authorized and Issued—				
125,000 Shares 6% Cumulative Participating Preferred, par value $10.00 each			1 250,000.00	
62,500 Shares Common, No Par Value			250,000.00	1,500,000.00
EARNED SURPLUS ACCOUNT:				
Balance at Credit, 1st January, 1949			566,860.17	
Add:				
Adjustments arising from the assessment by the Dominion Income Tax Department of the Company's returns for the years 1943 to 1948 —				
Reversal of a portion of the amounts provided for depreciation		$ 165,922.29		
Less: Additional Income and Excess Profits taxes		149,919.92	16,002.37	
Balance in Deferred Surplus Account transferred—				
Balance at credit, 1st January 1949		337,056.22		
Add: Increase in the above amount following assessment of the Company's tax returns to 1948		29,574.23	366,630.45	
			949,492.99	
Net Operating Profits for the year ended 31st December 1949 before taking up the items below		332,199.44		
Deduct:				
Provision for depreciation	$ 108,343.55			
Provision for Income Taxes	104,000.00	212,343.55		
Net Profit for the year 1949		119,855.89		
Less: Dividends paid for the year 1949 on the Preferred shares 60 cents per share		75,000.00	44,855.89	
Balance at Credit, 31st December, 1949				994,348.88
				$3,208,610.09

NOTE—Subject to the provisions of the Supplementary Letters Patent of the Company:
(a) $345,811.94 of the above Earned Surplus may be applied in payment (but only if, as and when declared by the Board of Directors) of the 3% non-cumulative preferential dividends on the Preferred Stock.
(b) $571,497.95 of the above Earned Surplus may be distributed, in the discretion of the Board of Directors, as participating dividends to the holders of the preferred and common shares on a share basis.

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING FEBRUARY 24, 1950

Range 1949-50 High	Low	Div R'te $	Feb24 Y'ld %	Company	Sales	Last Feb. 17	Week end. Feb. 24 H	L	Cl'se
24¼	9⅞	†.50+.50		Abitibi	15326	23¾	24¼	23¾	24
23⅞	16	1.50	6.8	Do. $1.50 pf.	5330	22¾	23¼	22¾	23¼
25	19⅞	1.00+■1.15		Acadia At. A	775	24¼	24¼	24	24¼
105	98⅞	5.00	4.8	Do. 5% pref.	25	105	104	103½	104
9¼	7⅞	.60	6.8	Agnew Surp.	265	9	9	8⅞	8⅞
15	12⅞	.	...	Algoma Steel	2395	14¼	14¼	14	14
27	25	1.00	3.7	Alum of Can p	155	26¾	26¾	26¼	26¾
61⅞	40⅞	2.40	4.2	Aluminium, n.	2775	53¼	56¼	53¼	56¼
7¼	4½	■▲.40	..	Andian Nat.	110	5¼	5¼	5¼	5¼
48¼	42½	2.25	4.7	Ang Can Tel p	10	46	46	46	46
18	14	■1.00	..	Ang. Nfld.	1585	15¼	15¼	14¾	15¼
8	5¼	.60	7.5	Argus	4015	7¾	7¾	7¾	7¾
78	60	4.50	6.0	Do. 4½% pf.	60	75	75	74	75
.25	.05	.	...	Do. Warr.	700	.15	.15	.11	.15
26¼	20	1.20+†.10		Asbestos	930	25¾	26	25¼	25¾
15¼	10⅞	.60	4.1	Ashdown Hdwe	370	15	15	14¼	14¼
[illegible]									
28¼	17¼	2.00	7.8	Fraser Cos.	2051	25¼	25¼	25	25¼
99¼	96¼	4.75	4.8	Do. pref.	85	99	99	98¼	99
95	86	4.50	5.2	Freiman, pref.	10	85	87	87	87
19	15	1.20	6.5	Gatineau Pwr.	654	18	18¼	18	18¼
108	100¼	5.00	4.7	Do. pref.	22	108	107⅞	107	107¼
3.00	1.55	.	...	Gen. Bakeries.	575	3.00	3.00	2.85	2.95
33	16¼	1.00	3.3	Gen. Prod. A.	100	29¼	30¼	29¼	30¼
18⅞	13	†.50	...	Gen. St. Wares	520	18¼	18¼	18	18
106	99¼	5.00	4.8	Do. pref.	40	105	105¼	105	105
103	80	■6.00	..	Goodyear Tires	110	91¼	95	91	95
53¼	50¼	2.00	3.8	Do. pref.	80	52⅞	52⅞	52¼	52¼
10⅞	9¼	.50	4.9	Gor MacKay A	345	10⅞	10¼	10¼	10¼
20	17¼	1.00	5.1	Grafton A	25	19	19⅞	19⅞	19⅞
16	9¼	1.15	7.5	Gt. Lakes Pap.	5673	15	15¼	14⅞	15⅞
43¼	34	2.50	5.9	Do. A pref.	86	42¼	43	42	42¼
26	15¼	1.25	5.7	Gt. West Coal	230	26	22	22	22
13¼	13	.	...	Guaranty Trust	100	13	13¼	13	13
19⅞	14	1.40	7.9	Gypsum, Lime	1390	18	18	17¼	17¾
25	*10	.60+†4.20		Hahn Brass	35	20¼	15	15	15
13	8	■.10	...	Halifax Insur.	240	12	12¼	12	12¼
13¼	7	.50+†.12½		Ham. Bridge	1157	12¼	12¾	12	12¾
12	9	.80+■.10		Harding Carpet	180	10¼	10¼	10¼	10¼
33	20	■1.00	..	Hayes Steel	30	27	27¼	27¾	27¼
19¼	14	1.00	5.7	Hinde & Dauch	45	17¼	17¼	17¼	17¼
8⅞	7	.50	5.7	Horner, F. W. p	150	8	8⅞	8¼	8⅞
38	27	2.00	5.4	H. Smith Paper	480	36⅞	36⅞	36¼	36⅞
50	42	2.00	4.1	Do. pref.	35	48¼	48¼	48¼	48¼
18	15	1.50	8.8	Hubbard F A p	25	15	17	17	17
122	110	5%	4.1	Huron & E. Mt	25	122	122	122	122
24	20	5%	4.4	Do. 20% pd.	113	24	23	23	23
32¼	27¼	1.20	3.9	Imperial Bank.	25	31	30⅞	30⅞	30⅞
24	16¼	.50	2.3	Imperial Oil	11500	21⅞	21⅞	21¼	21⅞
[illegible]									
26⅞	20¼	1.00	4.1	Weston, George	1100	23½	24¾	24	24½
101½	90¼	4.50	4.5	Do. 4½% pf.	180	99¼	100¼	100	100¼
19¼	17¼	1.00	5.7	Wilsils	100	18	17¼	17¼	17¼
19	12	.	...	Windsor Hotel.	100	16¼	17	17	17
38	27	■1.40	..	Winnipeg Elec.	....	34	35⅞	34	35⅞
101	97	5.00	5.0	Do. pref.	....	99⅞	101	100	101
3¼	1⅞	.	...	York Knit. B.	1610	2⅞	2	2	2
67	39	2.00+†.50		Zellers	270	63	62	61	62
29¼	27¼	1.50	5.2	Do. 6% pref.	50	27⅞	28¼	28¼	28¼

*On arrears. ▲N. Y. funds. ▲▲Participating div. °Net after income taxes. •Dividend deferred. ♦After stock split. ■Paid in 1949. ♦Plus extras. ‡Plus payments on arrears. †Paid or payable in 1950.

Mining Stocks

Week Ended February 24

Range 1949-50 High	Low	Div. Rate $	Feb. 24 Yield %	Company	Sales	Last Feb. 17	Week Ending Feb. 24 High	Low	Close
.61	.48	.....	....	Acadian Uran	1,500	.52	.49	.48	.49
.85	.55	.....	....	Akaitcho	2,000	.76	.79	.79	.79
.27	.12	.....	....	Amal. Lard.	2,500	.18	.17	.16½	.16½
.20	.07	.....	....	Amer. Y.K.	5,500	.08	.08½	.07½	.07½
.70	.16	.....	....	Anacon L'd.	46,200	.65	.68	.64	.65
10.75	8.65	†.15	....	Anglo-Hur.	1,160	10.75	10.75	10.25	10.62½
.70	.18	.....	....	Anglo-Rou.	4,250	.30	.31	.27	.31
.28	.05	.....	....	Aquarius	44,600	.22	.24	.15	.22
.23	.10	.....	....	Area	7,200	.17½	.19	.18	.18
.31	.08	.....	....	Arjon	81,600	.30½	.31	.29	.29
.15	.08	.....	....	Armistice	9,000	.13	.13½	.12	.13
[illegible]									
.60	.33½	.....	....	Moneta	3,750	.34	.35	.34	.35
.39	.08	.....	....	Mosher L L	68,100	.33	.38	.33	.37
.12	.05½	.....	....	Mylamaque	2,000	.07	.07	.06	.06½
2.63	1.41	.....	....	Negus M.	6,556	1.45	1.50	1.43	1.50
.15	.06½	.....	....	N Alger	2,000	.08½	.08½	.08	.08
[illegible]	.84	†.03	....	N Calumet	17,300	1.05	1.07	1.00	1.01
.70	.67	.....	....	N. Dick'son	9,900	.....	.70	.67	.69
.47	.18	.....	....	N. G'dvue.	38,750	.42	.44	.38	.39
.75	.35	.....	....	N. Jason	11,974	.41	.47	.41	.41
.88	.33	.....	....	Newlund	9,700	.65	.72	.65	.70
.18	.03	.....	....	N Norzone	6,650	.03½	.03½	.03½	.03½
.12	.04	.....	....	N. Rouyn	5,555	.06	.07½	.07	.07
.26	.09	.....	....	N Thurbois	2,000	.10	.13	.11	.13
.08	.02½	.....	....	Nib Y'fe	2,500	.03	.03	.03	.03
1.03	.40	.....	....	Nicholson	175,500	.45½	.58	.45	.53
[illegible]									
.10	.07	.....	....	W. Ashley	750	.07½	.07	.07	.07
.09	.04	.....	....	West Mal.	2,000	.06	.05½	.05	.05
.10	.03	.....	....	Westville	1,000	.04	.04	.04	.04
.37	.07	.....	....	Wiltsey C.	2,200	.10	.09½	.09	.09
.11	.04	.....	....	Winchester.	5,400	.05	.05½	.05½	.05½
.11½	.03½	.....	....	Wingait	5,000	.05	.04½	.04½	.04½
.07	.03½	.....	....	Winora	1,000	.04	.03½	.03½	.03½
2.75	2.00	.16	7.7	Wright-Har.	4,470	2.15	2.23	2.06	2.07
.36	.24	.....	....	Yale Lead	5,000	.24	.25	.24½	.25
.48	.17	.....	....	Yellorex	1,100	.17	.19	.18	.19
1.15	.61	.....	....	Y'ke Bear	7,800	.80	.82	.79	.82
.79	.50	.06	10.5	Yukon Cons.	1,000	.57	.57	.57	.57

Oil Stocks

Range 1949-50 High	Low	Div. Rate $	Feb. 24 Yield %	Company	Sales	Last Feb. 17	Week Ending Feb. 24 High	Low	Close
.27½	.15	.....	....	Alta. P. Cons.	7,120	.23	.23	.22	.23
.14½	.07	.....	....	Anaconda	1,100	.07½	.08	.07	.08
5.35	2.85	▼.05	....	Anglo Can.	15,355	4.05	4.10	3.95	4.00
.07½	.03	.....	....	Apex	6,600	.03½	.04	.03½	.04
1.70	.50	.....	....	Atlantic	23,450	1.48	1.52	1.39	1.43
.37	.15	.....	....	Br. Dom.	28,887	.23	.24	.21	.23
.38½	.33	.....	....	Br. Empire.	5,700	.34	.35	.33½	.35
9.15	3.75	.10	1.4	Calg. & Ed.	3,170	7.15	7.20	7.00	7.10
.61	.28	.....	....	Calmont	10,174	.52	.52	.46	.48
.22	.08	.....	....	Calnorth	9,500	.11	.12	.09½	.10½
1.65	.55	.....	....	Cent. Leduc	34,000	1.16	1.21	1.10	1.13
.50	.21	.....	....	Coastal	13,800	.42	.42	.38½	.40
1.50	.64	.....	....	Common P.	5,200	1.25	1.26	1.21	1.23
.12	.03½	.....	....	C. H'Stead.	7,000	.04½	.04½	.04½	.04½
.40½	.25	.....	....	Cont. of Can.	8,987	.32	.31	.30	.31
.60	.25	.....	....	Dalhousie	28,700	.36	.37	.34	.34
.43	.16	▼.01	....	Davies Pete.	9,100	.30½	.30	.28	.28
.33	.10	.....	....	Decalta	2,000	.14	.14	.13	.13
.67	.40	.....	....	Del Rio	9,500	.45	.45	.42½	.43
.11½	.04	.....	....	East Crest.	1,750	.05½	.05½	.04	.05½
.38	.18	†.01½	....	East Leduc.	16,300	.25	.25	.24	.24½
2.90	.45	§.03	....	Federated P.	6,850	2.60	2.60	2.47	2.48
.33	.17	.....	....	Flank Pet.	3,000	.29	.29	.28	.29
4.00	2.30	.25	6.7	Foothills	2,600	3.50	3.75	3.50	3.75
2.35	.89½	.....	....	Gaspe	11,700	1.47	1.80	1.40	1.80
1.42	.75	†.02	....	Gen. Pet.	500	1.10	1.08	1.07	1.07
1.22	.72	†.02	....	Do. "A"	4,700	1.05	1.10	1.00	1.06
.74½	.40	.....	....	Globe	14,400	.60	.60½	.58	.58
.04	.01½	.....	....	Grease Creek	3,000	.02	.02½	.02	.02
.70	.07½	.....	....	Hanna	4,000	.10	.09½	.09½	.09½
.21	.10	.....	....	Hargal	34,000	.14	.14½	.13½	.14
.13	.06	.....	....	High Sarcee.	2,500	.06½	.07½	.07	.07½
14.25	8.50	▼.50	....	Home	3,915	11.25	11.62½	11.00	11.12½
.12	.05	.....	....	Jump. Pound	2,000	.09½	.10	.09½	.10
.31½	.07½	.....	....	Leduc Cal.	172,800	.13½	.12½	.08½	.09
.31½	.10	.....	....	Leduc Cons.	5,500	.12½	.13	.12½	.13
.85	.53	†.04	....	Leduc West	6,000	.80	.80	.76	.80
.08	.01½	.....	....	Marvel	3,300	.02½	.02½	.01½	.01½
.17½	.08	.....	....	McD. Segur	3,000	.10½	.10½	.10½	.10½
.19½	.08	.....	....	Mercury	100	.10	.09	.09	.09
.07½	.03	.....	....	Midcont.	1,500	.04	.04	.03½	.04
.52	.28	.....	....	Model	1,515	.33	.33	.30	.33
.47	.26	.....	....	Nat. Pete.	7,100	.32	.34	.32	.32
.14	.07	.....	....	N. Pacalta.	4,000	.08½	.08½	.08	.08
.05½	.02	.....	....	New Ranch.	14,000	.02½	.02½	.02	.02½
.17	.07	.....	....	Nordon	500	.15	.16	.16	.16
.31	.04½	.....	....	N. Cont.	7,000	.05	.05	.04½	.05
.21	.08	.....	....	N. Exten.	1,000	.10½	.09	.09	.09
.05	.03½	.....	....	Oil Select	500	.03½	.03½	.03½	.03½
2.60	1.11	§‡.10	....	Okalta	28,750	2.05	2.09	1.80	1.85
4.90	2.00	§.05	....	Pac. Pete.	15,895	4.50	4.60	4.35	4.40
.25	.09	.....	....	Pan West.	8,600	.19	.20	.19½	.19½
.21	.15	▼.03	....	Petrol O.	6,000	.16	.18	.18	.18
.05½	.03½	.....	....	Phillips P.	6,200	.04½	.05	.04	.05
.42	.17½	.....	....	Princess P.	28,600	.37	.37	.35	.35½
.53	.23	.....	....	Roxana	7,800	.30	.30	.28	.29
.13	.05	.....	....	Royal Can.	2,700	.06½	.07	.06½	.07
9.90	5.85	†.06½	....	Royalite	24,805	9.35	9.55	9.15	9.20
.15	.05½	.....	....	Share Oils	200	.06½	.06½	.06½	.06½
.23	.10	▼.01	....	So. Brazeau	37,200	.11	.12½	.10½	.10½
.45	.20	.....	....	So. West Pete.	2,000	.33	.31	.30	.30
.38	.15	.....	....	Spooner	24,130	.20	.22	.20	.22
.20½	.12	§.01½	....	Sunset	2,550	.18½	.18½	.17½	.18
.53	.29	.....	....	Superior	8,100	.42	.43	.40	.41
.51	.29	.....	....	Tower Pet.	27,600	.41	.42	.36	.36
.26	.08	.....	....	United Oils.	14,525	.23	.22	.19	.19
.30	.18	.....	....	Vanalta	1,000	.25	.25	.25	.25
.32	.15	.....	....	Vulcan	9,800	.26	.28	.26	.26½
.20	.02½	.....	....	Warner	1,000	.03½	.03	.03	.03

* N. Y. funds. ‡ Extra. ▼ Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Feb. 27	221,500	1,338,000	45,417	37,960	1,720,000
Feb. 25	151,400	588,000	26,900	13,010	760,000
Feb. 24	287,800	1,165,000	88,180	55,255	2,060,000
Feb. 23	183,500	1,293,000	50,035	50,000	1,590,000
Feb. 22	124,000	825,000	63,629	22,222	....
Feb. 21	163,300	831,000	85,959	35,925	1,600,000

BUSINESS BAROMETERS

	FEB.	JAN.	DEC.	NOV.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	200.3	200.0	170.2
Dom. total rev.	....	....	199.6	194.6	220.2
MERCHANDISING					
■Dept store sales (3)	....	+4	+5	+3	....
Country store sales (3)	....	....	—1.7	—4.1	....
Retail store sales (3)	....	....	+2.7	+6.1	....
Wholesale sales index (1)	....	....	263.3	306.7	259.9
FINANCE					
Dividend payment index (1) (5)	212.4	213.8	217.8	215.4	215.7
Money supply (millions $)	....	....	....	4,376	4,327
NEWSPRINT CAPACITY					
Production ratio (7)	....	97.2	98.4	101.2	100.9
RAILWAY FREIGHT LOADINGS					
■Tons (D.B.S.) (1)	....	178.5	182.8	157.1	202.9
■Cars (D.B.S.) (1)	....	147.2	158.3	131.2	163.0
COST OF LIVING					
D.B.S. (1)	....	161.0	161.5	161.7	159.6
EMPLOYMENT INDEX					
All industries (6)	....	....	201.5	202.0	204.3
Payrolls (June 1/41=100) (2)	....	....	223.8	224.2	216.9
MANUFACTURING					
Inventories (1947=100)	....	....	....	125.3	128.0
Employment (6)	....	....	204.2	206.5	204.3

	1949-50	1948-49	1949-50 Jan. 1 to date	1948-49 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Feb. 18)	71.7	71.1	458.8	504.8	—9.1
C.N.R. gross rev. (Jan.)	35,041	37,309	35,041	37,309	—6.1
C.N.R. net rev. (Jan.)	2,564	1,488	2,564	1,488	+72.3
C.P.R. gross rev. (Dec.)	30,116	31,077	368,252	355,250	+2.3
C.P.R. net rev. (Dec.)	3,116	1,883	20,632	18,419	+11.5
IRON AND STEEL PRODUCTION (000's omitted) (Dec.)					
Pig iron production (tons)	172	174	2,154	2,121	+1.5
Steel production (tons)	264	280	3,187	3,202	—0.5
CONSTRUCTION (000's omitted)					
Contracts awarded (Dec.)	121,523	55,992	1,140	954,082	+19.5
■Cement prod., bbls. (Dec.)	1,308	1,054	16,128	14,007	+15.1
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Dec.)	1,628	1,721	19,957	22,385	—10.9
■Flour exp., bbls. (Jan.)	934	1,004	934	1,004	—7.0
■Wheat exp., bush. (Jan.)	10,901	13,825	10,901	13,825	—21.2
Cattle sales (Jan.) (4)	134.1	122.4	134.1	122.4	+9.5
Hog sales (Jan.)	358.4	334.3	358.4	334.3	+7.2
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Dec.)	69.0	89.4	1,176.8	1,277.4	—7.9
Landed value (Dec.)	3.2	3.2	53.7	60.0	—10.5
NEWSPRINT (000's omitted)					
Production (Jan.) (7)	417	421	417	421	—0.9
Exports, tons (Jan.) (7)	403	410	403	410	—1.7
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Jan.)	1,749	1,856	1,749	1,856	—5.7
Gold prod. (fine oz.) (Nov.)	361	311	3,739	3,203	+17.0
Petroleum prod. (bbl.) (Oct.)	2,060	1,207	17,789	9,859	+80.4
ELECTRICAL POWER OUTPUT (000,000 omitted) (Dec.)					
Total monthly kwh	4,040	3,965	46,673	44,569	+4.7
FOREIGN TRADE (millions of $)					
Imports (Dec.)	213.4	232.0	2,761.2	2,636.9	+4.7
Exports (Dec.)	285.5	316.4	2,993.0	3,075.4	—2.7
FINANCE (millions of $)					
Bank debits (Dec.) (8)	8,396	7,800	87,554	80,687	+8.5
Bond sales (Jan.)	220.5	169.8	220.5	169.8	+29.9
■Life insurance sales (Jan.)	100.8	106.6	100.8	106.6	—5.5
OTHER INDUSTRIAL FACTORS					
■Shoe prod. (Dec.)	2,512	2,784	36,256	32,407	+11.8
Cigarette cons. (000,000) (Jan.)	1,408	1,262	1,408	1,262	+10.8

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, ec.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April only.

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal, and Intercity Securities Ltd., Toronto)

Feb. 27, 1950

	Bid	Ask		Bid	Ask
Allens Toronto units	42.00	....	Imperial Life	345.00	365.00
Anglo Can. Telephone A	10.25	11.00	Lambton Loan & Inv. $50 p.	83.00	....
Ash Temple	4.25	5.25	Laprairie com.	2.00	4.00
Ashdown Hardware B	14.50	....	Do. pfd.	98.00	....
Beauharnois L. H. & Pr.	21.75	22.75	Loblaw Groc. Inc.	21.50	22.50
Beauharnois Power	9.75	11.25	Manufac. Life Ins.	345.00	365.00
British Mtge. & Trust	194.00	....	Medical Arts Bldg.	34.00	40.00
B. C. Sugar	90.00	92.00	Monarch Life 40% pd.	134.00	140.00
Can. General Invest.	18.00	18.50	Mountainview Apts. pfd.	27.00	....
Can. Gen. Sec. C	7.00	....	Nat. Drug & Chem. com. N.	8.50	9.25
Can. Investment Fund	5.00	5.40	Do. pfd.	10.00	12.00
Can. Investors Corp.	10.00	....	N. B. Telephone	11.00	12.50
Can. Motor Lamp	12.25	12.50	Northern Tel. com.	1.50	1.80
Can. Silk Products A	23.25	....	Ont. Jockey Club	1,400.00	1,600.00
Can. West. Nat. Gas com.	60.00	....	Ont. & Que. Ry. 5% cap stk	141.00	....
Do. pfd.	18.75	19.75	Peller Brewing com.	13.00	15.50
Capital Wire Cloth com.	14.25	....	Do. pfd.	1.00	1.75
Chase A. W. units	53.00	56.00	Prov. Bank of Canada	16.00	16.75
Colonial Steamships com.	125.00	135.00	Prudential Trust	11.00	....
Commercial Finance com.	17.00	....	Ritchie Cut Stone pfd.	8.25	9.25
Commercial Life 10% pd.	10.75	....	Rosedale Golf	135.00	....
Continental Life 20% pd.	45.00	....	Sawyer Massey com.	.75	....
Cooksville A	11.25	12.50	Seiberling Rubber com.	5.00	6.00
Do. B	5.50	6.75	Sincennes McNaught. Tugs	2.00	3.00
Corporate Investors	8.80	9.51	Sherbrooke Trust	140.00	....
Cuban. Can. Sugar com.	5.00	6.00	Sovereign Life 25% pd.	49.00	53.00
Detroit Internatl. Bridge	16.25	17.25	Standard Fuel pfd.	35.00	37.00
Dover Industries Ltd.	9.25	10.25	Do. com.	3.00	5.00
Dunlop Tire pfd.	25.00	26.00	Sun Life Assce.	560.00	575.00
Dupuis Freres pfd.	24.50	26.00	Third Can. Gen. Inv.	4.15	4.50
Empire Life 25% pd.	17.00	19.00	Toronto General Ins.	6.00	8.00
Foreign Power Co.	4.50	6.00	United Farmers Co-op.	2.00	3.50
Galt Brass com.	31.00	....	United Steel A pfd.	24.25	25.50
Goderich Elev. & Trans.	15.25	16.25	Victoria Trust & Svgs.	140.00	....
Great West Life	445.00	470.00	Waterloo Manuf. com.	5.50	6.75
Guardian Realty pfd.	54.00	....	Waterloo Trust & Savings	124.00	127.00
Guaranty Co. of N. A.	385.00	415.00	Western Assurance com.	72.00	....
Hart Battery com.	8.25	9.50	Western Grain pfd.	23.00	25.00
Husky Oil	3.75	4.75	York Trading com.	10.50	12.00

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Feb. 24 Bid	Ask
Acme Glove	■.50	11¼	9	11¼
Amal. Electric	..	8	..	9
Assoc. T. & T. A.	..	68	..	..
Do. pref.	■▲5.16	137	..	..
Auto Electric	.40	5¼	5¼	7¼
Do. A	.50	7¼	7¼	8⅞
Auto Fabric A .60+■.24		7¼	7¼	7¼
Barcelona	..	3.00	..	..
Beaver Lumber A	1.00	19	19	19¼
Do. pref.	1.40	27⅞	28	..
Beld. Cort. 6.00+†1.00		165	165	..
Do. pref.	7.00	167	165	..
Belgium Glove	.60	8	8¼	8⅞
Do. pref.	1.00	16	..	16¼
Bertram & Sons B .20+†.05		6	5¼	9
Biltmore Hats A	1.60	16	16	16¼
Blue Ribbon	..	13⅞	13	..
Blue Top Br. B	■14.00	25	20	30
Bowes Co. A	.50	9	9	..
Do. B	†.50	40	35	..
Brand. Hender.	..	8	8	9
Brazilian Tr. pref.	6.00	125	20⅞	21
Bright, T. G.	1.00	21	18	..
Brit. Am. Bk. N'tes	■.80	15	14¼	15
Burns & Co. A	†2.60	27¼	27	28
Caldwell Linen .80+†.20		16¼	14¼	15
Do. 1st pref.	1.50	31	30	31⅞
Canada Bread	.10	2⅞	2⅞	2⅞
Do. pref. B	2.50	42¼	42¼	50
Can. Cr. Stone	†.20	14¼	14¼	15
Can. Floor. B	.60	12¼	11	13
Can. Foils	†.10	5	5¼	6
Can. Forg. B ■1.50+1.50		45¼	..	..
Can. Iron pref.	.60	13⅞	14¼	..
Can. Starch pref.	7.00	97¼	99	..
Can. Wire Cable A	4.00	81¼	81¼	83
Can. Bakeries	†.20	9¼	9	10
Can. Bronze pref.	5.00	104¼	..	104
Can. Colliers	†.50	2.45	..	..
Can. Convert. A	.75	8	8¼	10
Do. B	..	8¼	8¼	..
Can. Cottons pref.	1.20	28	25¼	28
Can. Fairb. pref.	6.00	135	132¼	..
Can. Food Pr. pf.	4.50	71	71	..
Can. G. Elec. 8.00+■4.00		250	250	..
Can. G. Sec. A	†3.00	50	39	..
Do. B	†3.00	20	39	..
Can. Ice Mach.	..	5.00	2.60	4.90
Do. A	.80	12	7¼	13¼
Can. Ingersoll-R.	†2.00	69	68	71
Can. Int. I. Tr.	..	7⅞	7¼	7⅞
Do. pref.	‡5.00	103	95	101¼
Can. Oil 5% pref.	5.00	102	102	..
Do. 8% pref.	8.00	152	151¼	155
Do. 4% pref.	4.00	83	86	..
Can. Tire 1.20+■.30		32¼	33¼	37
Can. Utilities	5.00	102¼	102	103
Can. Wallpaper A	■1.00	13	12⅞	16
Do. B	■1.00	12⅞	13	16
Cassidy's pref.	7.00	115	115	..
Celtic Knit.	†1.00	8⅞	9	..
Cent. Can. Linen	8.00	202	201	..
Cent. Nor. Air. A	■.25	5.00	..	6.00
Do. B	..	2.00	..	2.00
Chart. Trust	1.00	29	29	..
Chatco Steel pref.	.50	7¼	7¼	7¼
Ch. Gai Wines	†.30	8	8¼	8¼
Cinzano A	4½d	.35	.40	.75
Do. 5½% pref.	5½%	2¼	..	..
Circle Bar Knit.	..	8	8¼	9
Do. A	1.00	15	14¼	15
Claude Neon A	..	2¼	1¼	..
Do. pref.	..	.36	.35	.40
Cochrane-Dun. pf.	1.20	25	24	24¼
Coll. Terminal .25+†.25		8¼	8¼	..
Do. pref. .25+†.25		9	8¼	..
Conduits Nat.	†.25	9	6¼	8
Cons. Fire Co.	..	5	6	..
Cons. Litho.	2.00	26	26¼	30¼
Corr. P. Box	1.50	21⅞	21¼	25
Do. 5% pref.	5.00	100	98	..
Craig Bit. pref.	.50	9¼	9¼	10
Crown Trust	5.00	120	117	..
David & Fr. A	†1.00	34	32	34¼
Davis Leather B	.70	7¼	7¼	7¼
De Havilland A	■1.00	21	20	25
Disher Steel	†.50	12	11	14
Do. pref.	1.50	24	20	24
Dom. Ang. I. ■1.50+5.50		109⅞	120	..
Do. pref.	5.00	97⅞	96¼	102
Dom. Dairies pref.	1.75	20	20	22
Dom. Fabrics 2nd pref.	1.50	30	29¼	31
Dom. Fire	6.00	100	147	..
Dom. Malting pf.	5.00	101¼	101¼	105
Dom. Square	†1.00	69	..	75
Dom. Tar & Chem. V.T.	1.00	28	20	..
Donnell & Mudge	■.20	1.75	2.00	2.50
Do. A	1.00	9¼	9¼	17
East. Theat.	†3.00	25	22¼	..
Easy Washing .20+†.15		6¼	6¼	6¼
Empire Brass	1.00	21	20¼	21
Enam. & Heat.	1.00	17¼	18¼	..
Federal Fire 2.00+†.25		50	48	..
Fibre Products pf.	.50	8⅞	8¼	9⅞
Fisher A	..	11¼	11	..
Do. B	..	5	4	..
Fittings	..	8	8	9
Do. A	.60	12¼	12¼	13
Flash Fast.	..	1.50	1.00	2.00
Do. pref.	1.00	13	..	12⅞
Fleury Bissell pf.	..	9	8¼	14⅞
Ford Motor B †.50+1.00		31	27	30
For. Pr. Secs.	..	.10	.10	.20
Freiman .50+■.25		9	9	..
Gair of Can.	4.00	91⅞	91	95
Gat. Pwr. 5½% pf.	5.50	110½	110¼	111
Gen. Products B	1.00	17¼	30	..
Do. pref.	5.00	100	100	102
Gord. Belyea	2.50	57	54¼	..
Gord. Mackay B	1.00	18	17	18⅞
Gould Pumps	1.00	65¼	..	..
Grand & Toy	.60	16¼	16¼	..
Great West Felt	†.30	6	5⅞	8
Do. pref.	.50	6	6	8
Great West Life	20.00	460	445	..
Gt. West Saddlery	..	9⅞	9⅞	10
Greening Wire .20+■.05		4¼	4¼	5
Growers Wine	..	1.30	..	..
Hahn Brass pref. 1.00+†4.20		26	20	21¼
Hamilton Cot.	†.25	14	13¼	14¼
Hartz, J. F. A.	.50	9¼	9¼	10⅞
Hendershot Pap.	1.00	10	10	12
Do. pref.	5.00	65	70	80
Hillcrest Coll.	..	.20	.05	.30
Holden Mfg. A	.60	8⅞	7	12
Do. B	■.20	4⅞	4¼	5¼
Holt Renfrew	..	25	..	..
Do. pref.	..	105	..	..
Ho. De LaSalle	..	14	14	..
Hubbard Felt	■.25	4	..	5
Humberstone S.	■1.50	25¼	..	24
Hunts A	†.10	8¼	..	8¼

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Feb. 24 Bid	Ask
Do. B	†.10	9	7¼	8
Hydro-Electric	■.20	3⅞	3¼	3⅞
Imp. Varnish 1.00+■.10		15¼	16	16⅞
Do. pref	1.50	31⅞	30⅞	..
I. Accept. 4½% pf.	4.25	86	..	..
Inter-City Bak. .80+†.10		14	13	13¼
Inter'c. Coal	†1.00	25	25	..
Do. pref.	8.00	115	..	..
Int. Nickel $5 pf.	..	7¼	..	..
Int. Paints	..	6¼	6¼	[illegible]
Do. pref.	1.20	22	..	..
Invest. Found. pf.	3.00	51	50¼	53
Jam. Pub. Ser.	1.00	11¼	11	11¼
Do. pref.	7.00	102	101⅞	..
Journal Pub. Ot.	.80	14	..	15¼
Lake of the Woods pref.	7.00	155	150	..
Lambert, Alf.	..	8¼	8	9¼
Langleys	..	1.40	1.00	1.80
Do. pref.	■1.00	51	50	54
Legare pref.	..	22	22	..
Levy Bros.	..	4⅞	5¼	..
Lindsay, C. W.	..	15	10	12
Loew's Theatres	4.00	70	..	..
London Can. Inv.	■6.50	70	75	..
Lowneys	1.00	16	14⅞	..
Mackin Steel	..	8	7	10
Do. pref.	5.00	90	90	..
Mailman Corp. pf.	5.00	94	94	95
M. L. Gardens	.50	15¼	15	16
Maple Leaf M.	■.50	9¼	9¼	9¼
Maritime Tele.	.80	18¼	18	18⅞
McBrine	1.00	17	..	17¼
McCabe Grain A	.60	8¼	8⅞	9¼
Do. B	.40	7	7¼	..
Mersey Paper	2.00	54	52¼	60
Mexican Lt. pref.	..	5	..	..
Mid. Pac. Gr.	1.00	16	15¼	16
Mitchell, J. S. 4.00+■.25		100	100	..
Mod. Contain. A	1.00	18	17⅞	18⅞
Mon. Knit. 4½% pf	4.50	93¼	85	94¼
Mon. Life 40% pd.	12%	137	133	145
Mont. Refrig. & S.	■.75	35	..	..
Moore Corp. pf. B	▲7.00	450	447	..
Morgan pref.	4.75	103	..	103
Mt. Royal Rice .50+†.10		10¼	9⅞	10¼
Murphy Paint	.80	23¼	23	24
Nat. Brew. pref.	1.75	43	41	44
Nat. Grocers pref.	1.50	28	28	28¼
Nat. Hosiery A	.60	22⅞	22¼	..
National Trust	1.00	28¼	28¼	29
Neon Pr. of W. C.	.80	15	..	..
Niag. W. W. 1.60+†.40		24	23	..
Nor. Can. Mtge.	‡.50	20	20	25
Nor. Trusts	.80	.34	..	..
N.S.L. & Pr. pref.	6.00	111⅞	111¼	..
Ont. Beauty Sup.	..	.50	.45	.75
Ontario Loan	5.00	130	129	..
Ont. Steel pref.	7.00	130	119¼	..
Pacific Coyle	†.30	.50	.42	.60
Paton Mfg.	.80	19	..	..
Penmans	3.00	56	..	56
Do. pref.	6.00	149	149¼	..
Pr. Corp. 2nd pf.	3.00	54	53¼	54⅞
Premier Trust	2.00	52¼	52¼	60
Quinte Milk A .60+†.10		10	9¼	11
Do. B	†.10	3	3	..
R. & M. Bear. A	1.10	21	..	..
Regent Knit.	.50	20	24⅞	..
Do. pref.	1.60	21	..	25¼
Reitman's	..	13	13¼	..
Reliance Grain	°20.00	20	10¼	20
Renfrew Textile	.60	7	5¼	6¼
Rivers Mill. A	2.00	28¼	28¼	29
Do. B	■1.00	13¼	4⅞	12
Robertson P. L. pf	2.50	44¼	48	..
Robinson Little A	1.00	12¼	..	14¼
Royal Oaks D. A	.60	10¼	10¼	11
Russell Indust. pf.	7.00	605	..	..
St. Law. Flour pf.	7.00	142	..	145
Sangamo	■.60	12	12	..
Sarnia Br. .40+■.10		7¼	7¼	8
Scarfe & Co. A	.80	14¼	14	15
Scythes & Co. 1.00+■.18		15⅞	14⅞	15⅞
Do. pref.	1.25	26	24⅞	..
Sher Wms. †.25+.25		22	21¼	..
Shirriff's pref.	1.00	20	20	20¼
Sidney Roofing	.90	15¼	15	15¼
Silknit pref.	■2.00	32¼	32¼	35
Silverwoods, W. D. pref.	5.00	94	94	95
Simon & Sons	1.20	19	18¼	19
Do. pref.	5.00	99	99	102
Slater N. pref.	2.12	50	48¼	50
Sov. Life 25% pd.	1.50	48	48⅞	..
Stand. Clay.	..	16	..	16
Stovel Press pref.	.50	5¼	5¼	5⅞
Stowell A pref.	1.50	17	17	..
Do. B	..	3	..	..
Stuart, D.A. pf. .80+■.60		16	16	17
Sun Publishing	†.25	18	18	18¼
Sup. Pete. ord.	†1.50	60	56¼	..
Do. com.	†1.50	55	55¼	..
Do. pref.	1.50	27¼	27	..
Tamblyn pref.	2.00	52	52	..
Taylor Pear. 5% pf	.50	11	10	11
Theatre Props.	..	4	4	5
Tip Top Can. A	.50	9	..	10
Tooke Bros.	.40	5¼	4⅞	..
Toronto Gen. Tr.	7.00	170	170¼	175
Tor. Mtge. 1.00+†.25		108	107	..
Traders Bldg. 1.00+†.25		21	19⅞	..
Traders Fin. B	1.50	28	25¼	..
Do. 4½% pref.	4.50	93	93	95
Do. A rights	1.00	20	20	22
Do. B rights	1.00	19¼	19¼	20
Twin City pref.	..	9	..	..
Un. Amuse. B 1.00+■.75		25	..	..
Do. A V.T.	1.00	35¼	35¼	..
Un. Distill.	†1.00	25	..	26
Viau Ltd.	1.00	31	30¼	..
Do. pref.	5.00	99¼	..	..
Viceroy	†.20	12¼	13	14⅞
Vir. Dare 5% pref.	1.25	20	20	22¼
Waterous Ltd.	†.20	5	3	5
Wellington Fire	3.50	70	..	90
West. Brew. 1.60+■.25		29¼	30	..
West. Grain pref.	..	30	24	..
West. Grocers pf.	1.40	32	32	32¼
West Koot. pref.	7.00	172	166¼	..
W'minster Pap. A	.50	8.50	8.75	..
Willson Stat.	..	11	10	..
Do. pref.	5.00	99¼	95⅞	101
Wilson, J. C. .60+■.40		11¼	11	12
Wood, A. & J. P.	7.00	115¼	115	..
Woods Mfg. pref.	2.00	30	..	33
Wool, Combing	1.60	15	13	14⅞
York Knit. A	.40	6¼	6¼	6¼
Zellers 5% pref.	1.25	26¼	26¼	..

♦Plus extras. ■Paid in 1949. *On arrears. ▲N. Y. funds. °Net after income taxes. •Dividend deferred. ♦After stock split. ‡Plus payments on arrear. ▲▲Participating div. †Paid or payable in 1950.

Mining Stocks

	Div.	Last sale	Bid	Ask
Alta.	...	.02	.03	..
Amer. Neph.	...	.58¼	.56	.59
Arno	...	.02¼	.01¼	.03
Bayonne	...	.03¼	.03¼	.05
Belleterre	.20	7.00	7.00	8.00
Bob's Lake	...	.04¼	.04¼	.05
Bonville	...	.02¼	.02¼	.04
Brazil Gold	...	.02	.02	.04
Brewis	...	.03	.03¼	.04
Bruce Cons.	...	.01	.00⅞	.03
Celta Devel.	...	.02¼	.03	.04
Cent. Manitoba	...	.05¼	.05	.08
Century	...	.03	.03¼	..
Coin Lake	...	.15	.15¼	.18
Cournor	...	.19	.17¼	.22
Cryderman	...	.01	.00⅞	.01
El-Pen-Rey	...	.08¼	.07⅞	.08¼
Flin Flon	...	.01¼	.01	.01¼
George Copper	...	.03	..	..
Golconda	...	.28¼	..	..
Gold Crest	...	.07¼	.07¼	.08
Gold Lake	...	.00¼	.01	.03
Grandoro	...	.15	.15	.17¼
Grandview	§.02	.18	.19	..
Great Falls M.	...	.03	.02	.04
Halliwell	...	.01⅞	.01¼	.02
Hallnor	.28	4.00	3.75	4.25
Heath	...	.06¼	.06	.07
Homer Y'fe	...	.04¼	.04¼	.05
Hoyle	...	.28	.30	.35
Int. Mining	...	4.75	..	..
Island Lake	...	.00¼	.00¼	..
Jack Lake	...	.02	.02¼	.02¼
Jack Waite	†.01	.18¼	.16	.17
Kenville	...	.05	.05	.05⅞
Kerr Lake	*§.05	.27	.28	.50
Kirk. Hud. Bay	...	.50	.50	.57
Kootenay B.	...	.30	.28	.33
Lapa Cad.	...	.03	.03	.03¼
Lingside	...	.03¼	.03¼	.05
McGillivray C.	▲.01	.08	..	..
Mentor Explor.	...	1.50	..	1.50
Nechi Cons.	...	.76	.75	.80
New Bid'le	...	.03	.03	.04
N. Louvre	...	.03	.02	..
N. Marlon	...	.07	.06¼	.07
Newnorth	...	.0[illegible]	.03¼	.04⅞
Norgold	...	.03¼	.03¼	.04
Normandy	...	.00¼	.01	.03
North. Empire	▲.15	1.65	1.50	2.00
North Den	...	.08	.07	.08¼
Omega	...	.03⅞	.03¼	.04¼
Orlac	...	.06	.05	.08
Paramaque	...	.03	.03	.03¼
Partanen Mal.	...	.03	.02¼	.03
Proprietary	†.11	18.25	17.50	20.00
Red Cloud	...	.01	.01	.02¼
Red Crest	...	.03	.03	.04¼
Red Hawk	...	.01	.01⅞	..
Rice Lake	...	.01¼	.01¼	.02
Ryanor	...	.06	.05	.07
Soma Duv.	...	.04	.03	..
S. Amer. G. *▲.25+.05		1.10	..	..
Standard G.	...	.07	.07	..
Star Lake	...	.00¼	.00¼	.00⅞
Tiblemont	...	.04	.04	.05
Vananda '48	...	.12	.11	..
Winnipeg R. Tin	...	.02	.02	.03
—OIL STOCKS—				
Acme Gas & Oil	...	.05¼	.04⅞	.05¼
Admiral	...	.04¼	.03	.04⅞
Command	...	.40	.30	.40
Commoil	.01	.55	.55	..
Freehold	...	.05⅞	.05	.05⅞
Lowery	...	.85	.65	.68
Mill City	...	.07	.07	.10
Richfield	...	.02	.02	.03
Royal Crest	...	.04	.02¼	.05
Three Point	...	.05	.05	..
Texas Can.	▲♦1.85	.50	.10	.50
Turner V.	...	.11	.13	..
Vul. Brown	...	.13	.10	..
Wellington	...	.04	..	..
York Oils	...	.08	.06¼	.10

▲Paid or payable in 1949. §Paid in 1948. *N. Y. funds. †Payable in 1950. ♦Capital distribution.

Government Bonds

Feb. 28, 1950

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101¼	101½
3	Mar. 1954	103	103¼
3	Nov. 1956	103¼	103¾
3	May 1957	102¼	102¾
3	Jan. 1959	102½	103
3	June 1960	102½	103
3	Feb. 1962	102¾	102¾
1½	Nov. 1950	99¾	100¼
3	Oct. 1963	102¾	102¾
3	Sept. 1966	102½	103
Dom. of Can. Bonds:			
3	June 1958	102½	102½
3½	Feb. 1952	102¾	102¾
3	June 1955	100¼	100½
3½	June 1966	103½	104
3	Perpetual	†101½	102
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101¼	102½
4½	Feb. 1956	▪124½	125¾
4½	July 1957	♦126½	128
3	Feb. 1954	109½	110
4¾	June 1955	▪124¼	125¾
2¾	Jan. 1967	98¼	99¾
2¾	Sept. 1969	99½	100½
3	Jan. 1966	101¾	102¾
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪124	125
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪114¼	116¼
4	Jan. 1962	▪125¼	127¼

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/71	100¼	100¾
3½	June 1950/72	♦110	111
British Columbia:			
4½	Jan. 1969	♦133	135
5	Sept. 1953	106¼	107¾
3	Dec. 1960	99½	100¾
3	June 1964	98½	100
5	Sept. 1959	♦130¾	132¾
B. C. Power Comm.:			
3	Oct. 1967	98¼	99¾
Manitoba:			
4	Dec. 1957	♦119½	121½
4½	Dec. 1956	♦122	124
5	Dec. 1959	▪130	132
5½	July 1958	116½	118
3	Oct. 1965	99½	100¾
New Brunswick:			
4½	Apr. 1961	♦122¾	124¾
2¾	June 1966	89	91
3½	May 1957	98¼	100¼
3½	Sept. 1965	98¾	100¾
Nova Scotia:			
3½	June 1956	101¼	102¾
4½	Nov. 1960	♦125¾	127¾
5	Mar. 1960	♦129	131
3	June 1956/58	99¾	101¼
2¾	Sept. 1966	95	97
3½	June 1963/65	101¼	102¾

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	96¼	97¾
3½	May 1952/55	101¾	102¼
4	June 1962	▪124¾	126¾
4½	June 1950	100¼	101¼
4½	Jan. 1962	♦129½	131½
2¾	July 1967/77	94½	96½
3	Nov. 1963/65	99¾	101¾
5	May 1959	▪130¼	132¾
Ont. Hydro Commission:			
4	Aug. 1957	▪119¾	121¾
2¾	Oct. 1965/68	95¾	97¼
3	Dec. 1963/65	100	101
3	Nov. 1967/69	99¾	100¾
Prince Edward Island:			
3½	Dec. 1961	101¼	102¼
Quebec:			
3½	Mar. 1954/59	103	104
3¾	Feb. 1952/55	102¾	103¾
4½	Aug. 1958	108½	109½
4½	Jan. 1963	114	115¾
4	Nov. 1950/52	100¾	101¾
3	Sept. 1962/64	99¾	101¾
Quebec Hydro Commission:			
3	Feb. 1969/73	99	100½
3	Dec. 1958/60	100¼	101
Saskatchewan:			
4	Nov. 1955/60	101	102½
5	Aug. 1958	109	111
4½	*Mar. 1960	♦119¾	121¾
5½	Oct. 1952	104¾	105¾
6	Mar. 1952	104¾	106¼
5	Dec. 1959	♦122¾	124¾
3	Mar. 1963	94¼	96¼
3½	Nov. 1960/62	95¾	97¾
3½	Oct. 1962/65	101¼	102¾

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y.
▪Payable Can., N. Y. or £.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	10	4	5	10	15	10	16	12	8	16	106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.5	105.3
June	184.7	210.8	85.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	198.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
Aug.	209.5	230.6	90.2	68.8	204.6	114.6	306.7	140.0	111.2	133.3	119.5	108.2
Sept.	213.1	240.1	93.0	68.9	204.8	116.0	312.5	143.0	112.8	135.2	122.7	109.6
Oct.	221.4	259.0	95.8	75.4	206.4	122.0	329.6	151.4	111.7	139.8	121.9	114.3
Nov.	231.0	274.3	91.8	82.6	219.9	123.5	336.5	158.6	112.2	142.2	121.6	118.2
Dec.	231.5	279.4	88.5	82.4	229.9	121.5	345.9	163.2	112.0	140.6	122.5	117.9
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
1950: Weekly Figures:												
Feb. 2	233.9	285.0	89.7	81.6	233.4	123.6	349.7	168.7	115.4	143.6	124.9	118.6
Feb. 9	228.0	295.0	85.4	81.5	232.1	124.5	356.2	172.3	116.5	142.8	125.7	119.0
Feb. 16	226.2	292.1	84.7	79.3	234.8	124.2	354.3	169.2	116.9	143.3	125.3	117.7
Feb. 23	231.6	294.8	84.7	79.4	239.1	120.4	363.0	168.4	117.1	142.4	125.0	117.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	15 B.M.	15 W.O.
Feb. 27	210.88	99.17	108.09	59.84
Feb. 25	210.96	98.82	108.47	60.29
Feb. 24	210.73	98.93	108.46	60.25
Feb. 23	209.87	99.23	108.66	60.03
Feb. 22	209.21	99.13	108.26	60.00
Feb. 21	209.62	98.92	107.68	60.69
Month ago	204.03	98.99	109.20	63.59
Year ago	168.68	92.33	95.44	47.54
1949-50 High	212.14	114.63	114.53	66.29
1949-50 Low	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Feb. 27	77.1	141.2	119.8	385.59	64.33
Feb. 25	76.9	141.0	119.6	382.45	64.40
Feb. 24	76.8	141.1	119.7	379.41	64.20
Feb. 23	76.4	140.3	119.0	375.30	64.34
Feb. 22	76.4	140.4	119.0	372.88	64.02
Feb. 21	76.9	139.9	118.9	375.11	63.97
Month ago	75.5	138.1	117.2	355.89	64.07
Year ago	70.2	120.8	103.9	296.58	62.93
1949-50 Hi.	77.1	146.2	122.7	385.70	74.40
1949-50 Lo.	70.0	109.5	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 27	204.33	55.49	42.81	73.99
Feb. 25	204.15	55.39	42.73	73.90
Feb. 24	204.15	55.48	42.81	73.95
Feb. 23	203.32	55.24	42.73	73.68
Feb. 22	.....	.....	.....	.....

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 21	203.35	55.44	42.87	73.79
Month ago	201.39	55.54	42.17	73.19
Year ago	173.06	47.71	34.56	62.38
1949-50 High	205.03	56.00	42.87	74.08
1949-50 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 28, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	90¼	...	93½
Bell Telephone	3	'77	98	100¼	98
B. C. Electric	3½	'67	96¼	99	96¼
Do.	3½	'69	101	103¼	101
Calgary Power	3½	'72	98¼	101¼	98¼
[illegible]					
Dom. Woolens	5	'64	96¼	100	96¼
Dryden Paper	4	'61	100¼	...	100¼
E. B. Eddy	3½	'66	99¾	102	99¾
Do.	4	'66	102	...	102
English Elec.	4	'67	95½	98½	95½
Federal Grain	4	'64	100	103	99½
Gt. Lakes Pap.	3½	'67	100¼	...	100¼
Imp. Tobacco	2¾	'66	98	101	98
Indust. Accept.	3½	'66	98¼	...	98
Lake St. J. P.	5	'61	101¼	104	101¼
Laurentian Silk	4½	'67	100	103	100
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	96¼	...	96¼
Do.	4½	'63	102¼	105	102¼
McColl-Front.	3	'71	95	98	95
Mercury Mills	4	'63	99½	...	99½
Monarch Knit.	4	'66	99	...	99
N.S. Steel Coal	3½	'63	99	102	99
Penman's	3½	'66	100	...	100
Price Bros.	3½	'66	101¼	104	101¼
Silv. Dairies	4	'60-64	99	102	99
Do.	4	'71	90	94	90
Simpsons Ltd.	3½	'60	101¼	104	101¼
Stl. Co. of Can.	2¾	'67	96	99	96
Tor. Elevators	3½	'66	99	...	99
United Corp.	4	'58	100¼	...	100¼
United Steel	4	'60	99	102	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	84	87	84
York Knit. Mills	3½	'71	90	94	90

*Payable in Canada or United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., Feb. 27, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	3	5	McManus	5	7
Advance	3½	4	Metalore	5	6
Alexander	2	3	Miles RL	4	8
Ama Kir	5	6	Mindus	10½	13
[illegible]			[illegible]		
Hu Pam	†24½	26	Thornhill	1	2
Independ	5½	6½	Tobico	2½	3½
Insco	5½	6½	Vinray	2	3
Isle Pin n	20	23	Viking	15	18
Jerome	24	28	Walcoro	5	5½
Kamlac	13	15	Wesley	1	2
Ken Bay	4	6	West RL	1½	2½
Kenda Pe	*9	12	Y Davids	†19	21
Kirk GG	2	2½	Yelknife	190	..
Lar-Add	4½	5½	do vt	135	..
Laronc're	20	21	**OILS**		
La Salle	3	4	Crusader	22	25
Lassie	4½	5½	Franco	55	65
Lavalie	3	4	Granleduc	†8	12
Lennie	1½	2½	Home Oil	†10¾	11
Lk Expa	6½	7½	Jupiter	†15	18
Lower Can	4½	5½	Lingnora	3½	4½
Mallen RL	3½	4½	Major Oil	3	4
Marbenor	12	14	McCuaig	3½	4½
Mar Bird	3	4	Nw Ranch	2	3
Marquette	*2½	3½	Pac Oil R	4½	6
Mary An	10	12	Princess	34	36
Mat Con	37	39	Vermilion	†22	27
Mate Yel	3	5	West Lock	5½	7
Reef Pet	45	50			

Commodities

	Latest week	Previous week	Same week last yr
Cattle	$22.00	$21.76	$18.74
Hogs	27.10	26.85	30.10
Copper, lb.	.18½	.18½	.23½
Sugar, raw, lb.	.05	.05	.0515
Coffee, lb.	.47½	.47⅞	.26½
Hides	.23½	.23	.26
Weekly Indices			
U. S. Labor	152.2	151.6	158.5
Dow Jones	134.83	134.35	126.44
Fisher's	161.1	160.4	166.4
Monthly Indices			
Retal (Jan.)†	161.0	161.5	159.6
W'sale (Jan.)	157.1	156.8	159.3
U. S. (Nov.)	151.6	152.2	163.9
Gt. Brit. (Dec.)	240.4	239.7	220.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Company Meetings

1950	Company	Place
Mar. 2	Buffalo Ank. G. M.	Toronto
Mar. 2	Building Products	Montreal
Mar. 6	Caldwell Lin., Iroquois Falls, Ont.	
Mar. 7	Broulan Porc. G. M.	Toronto
Mar. 7	Hamilton Cot.	Hamilton
Mar. 8	Melchers Distillers	Montreal
Mar. 8	N.W. Brew.	Edmonton
Mar. 8	Quebec Pwr.	Quebec City
Mar. 9	United Corp.	Montreal
Mar. 11	Journal Pub. of Ot.	Ottawa
Mar. 13	Toronto Mut. Life	Toronto
Mar. 15	Shawinigan Pwr.	Montreal
Mar. 21	Imperial Tob.	Montreal
Mar. 29	Can. N.W. Land	Toronto
Mar. 31	Lake Shore M.	Kirkland Lake
Apr. 20	Asbestos Corp.	Montreal
Apr. 22	Western Grocers	Winnipeg
Apr. 27	Regent Knit. Mills	Montreal

Investment Trust

	Bid	Ask.
Affiliated Funds	4.23	4.58
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.95	5.40
Can. Invest. Corp.	8.25	8.75
Corporate Invest.	8.80	9.51
Commonwealth Int.	3.63	3.99
Trans-Canada	14.40	....
Do. B	....	14.80
Leverage Fund	2.67	2.93
Can. Int. Trust	4.50	5.25

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▲Acadia Apts. 1st Mtge. bds.	4%	1959	Mar. 1	100

▲AA. o/s.

Municipal Bonds

Feb. 28, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	100½	3.71
Vancouver	3¾	'69	99½	101½	3.64
Calgary	3½	'69	99½	101½	3.38
Edmonton	3⅛	'69	99½	101½	3.38
Regina	3	'64	92¾	94¾	3.45
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	97½	99½	3.04
Ottawa	3¼	'68	103	105	2.89
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	93½	96½	3.23
Quebec	3⅛	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

Market Comment

What stocks and bonds are doing and what prominent observers say

Although the protracted soft-coal strike in the U. S. has increasingly overshadowed the market and quite counteracted the long-term bullish implications of the U. K. elections, there are still no technical evidences that the general market move which got under way last June has begun to "top off." Settlement of the strike could produce a quick market upturn at least for several days. If the upturn was spearheaded by the rails, motors and steels, the move would carry more authority.

Specialty stocks and groups are continuing to move fairly freely within the narrow confines of a tight general market. Although investors are more cautious than at any time during the past year in making new commitments, they are still eager to do so, brokers say. Investors are now banking more on what one stock or group will do than on what the market will do. Increasing search is being made for young, overlooked, companies that show growth promise. There are a number of these in the Canadian industrial scene today, sparked by young, aggressive management. In many cases capitalization is still small, so that any increase in profit reflects in sharply increased share earnings (see special story page 8).

There is evidence that the stiffening attitude of the Income Tax Department toward large undistributed surpluses is resulting in more generous dividend policies in some quarters than would otherwise have been the case.

* * *

W. T. MORAN, Greenshields & Co., Montreal.

Few useful generalizations might be made about the current market. Only twice in 20 years have yields been higher, in 1943 and in 1940-41. Disparity between stock and bond yields reaches record proportions; Dominion 3% perpetuals yield under 3% while many sound stocks, earning dividend payments twice, yield over 6%.

Our economy has matured almost unawares. The wars which have distorted the European economy have speeded our natural development. With the discovery of Albertan oil, Quebec iron ores, northern uranium; with the growing exploitation of water power on both coasts, our economic base has since further broadened and become yet more soundly integrated.

We are perhaps too close to recognize the significance of these developments and have not fully realized the extent to which many of our corporations have matured. Exchange difficulties also have a distorting influence on all North American security values and the objective European view on the prices is missing.

While the utmost care must be taken as always in selecting individual stocks, the risks and disadvantages of a cash position are increasingly obvious. In these disquieting times, common stocks of companies with solid earnings power appear to offer the investor both the greatest income and the soundest protection.

* * *

J. BRADLEY STREET & CO. (Toronto)

A survey of earnings prospects suggests that gold and silver mining and western oil industries stand an excellent chance of establishing improved earnings performances in 1950.

Possibilities of base-metal mining are not quite so clear; but 1950 will likely be almost as good a year as the very good year of 1949, present indications suggest.

Briefly, prospects may be summarized thus—

Gold Mining: Improved earnings levels reported for the final quarter of 1949 should persist at most mines in 1950 despite some first quarter disappointments due to power shortage in Northern Ontario. The $38.50 price for gold is seen a real aid to higher earnings this year.

Base Metals: Copper mining may hold a slight edge on nickel, lead and zinc mining on the profit front. Demand for metals from the United States should make up for any further loss of U. K. markets. Copper supplies are definitely short.

Silver Mines: Three new silver mines — United Keno, Torbrit Silver and Silver-Miller — will likely achieve a far greater aggregate output in 1950 than in 1949. Castle-Trethewey is expected to reach production by midsummer. The year will likely prove the most active and profitable one for Canadian silver mining in many years.

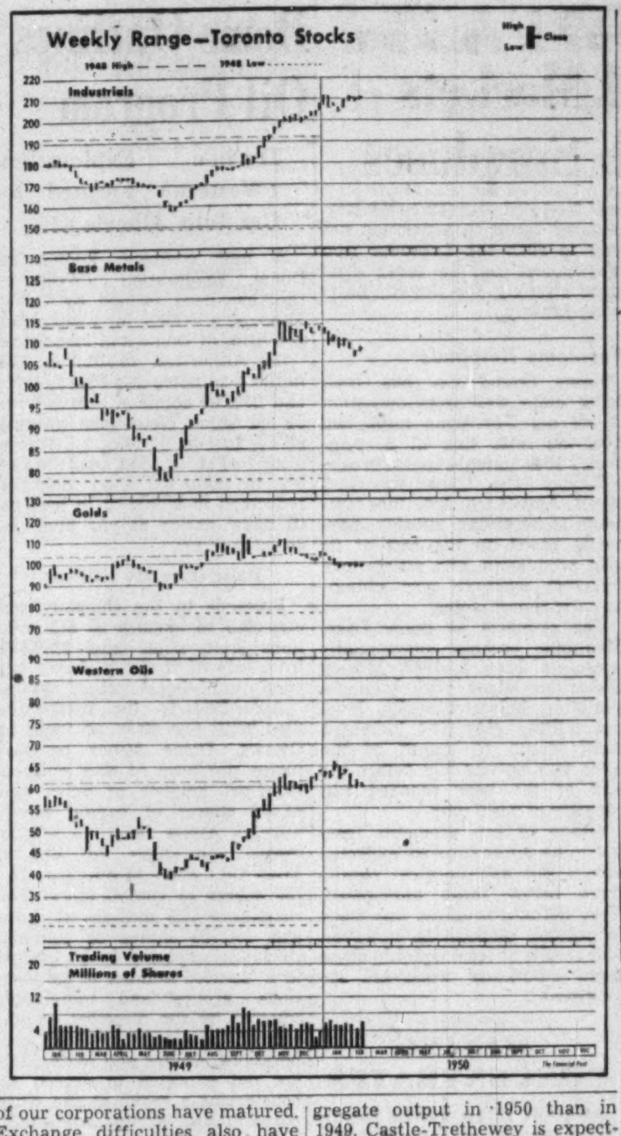
Western Oils: Augmented western oil markets will almost certainly boost western-oil revenues to record proportions in the current year barring a break in the world price for oil. Creation of new refining capacity in Western Canada is opening new markets to Canadian oil ahead of the big new pipeline to the head of the lakes now under construction.

* * *

JOHN H. LEWIS & CO. (New York)

As we have pointed out in previous studies, the policy of the U. S. Government is not yet such as to produce an uncontrolled money supply. The budgetary deficit in this country is still only 2.6% of our national income. Until this policy is changed and free rein given to spending without relation to taxes, or there is a strong probability of such a policy, it would seem unlikely that the stock market price increases witnessed in France, Italy and the Argentine are to be experienced here.

If strikes do not create another batch of deferred demands, then it would appear to us that the time is not distant when the economy must depend much more on current needs. We will then be able better to measure how important the many nonrecurring demands of recent years have been. We are still doubtful if the readjustments yet to come in major industries can be effected without resulting in a substantial price decline for many common stocks.



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	Apr. 1	Mar. 1
Do. pfd.	.37½	Apr. 1	Mar. 1
Acadia At. Sug. A	.25	Apr. 1	Mar. 11
Do. pfd.	1.25	Mar. 15	Feb. 21
Aluminium Ltd.	.60	Mar. 4	Feb. 3
Am. Cyanamid	.62½	Apr. 1	Mar. 7
Asbestos Corp.	.30+.10	Mar. 31	Mar. 9
J. H. Ashdown A	.15	Apr. 1	Mar. 10
Assoc. Tel. & Tel. $6 pf.	†1.50	Apr. 1	Mar. 1
Do. 7% pfd.	†1.75	Apr. 1	Mar. 1
Auto Electric	.10	Mar. 15	Feb. 17
Do. A	.12½	Mar. 15	Feb. 17
Barber-Ellis	.62½	Mar. 15	Feb. 28
Beaver Lumber A	.25	Apr. 1	Mar. 10
Do. pfd.	.35	Apr. 1	Mar. 10
Beld. Cort.	1.50	Apr. 1	Feb. 28
Do. pfd.	1.75	Apr. 1	Feb. 28
Belgium Glove	.15	Apr. 1	Mar. 15
Do. pfd.	.25	Apr. 1	Mar. 15
Bell Telephone	.50	Apr. 15	Mar. 15
Belleterre Que.	.10	Mar. 15	Feb. 15
Brewers & Dist.	.25	June 1	Apr. 29
Do.	.25	Sept. 1	July 31
B. A. Oil	.25	Apr. 1	Mar. 7
Do. pfd.	0.234375	Apr. 1	Mar. 7
B. C. Packers A	.37½	Mar. 15	Feb. 28
Do. B	.25	Mar. 15	Feb. 28
Bruck Mills A	.30	Mar. 15	Feb. 15
Do. B	.07½+.07½	Mar. 15	Feb. 15
Burlington Steel	.25	Apr. 1	Mar. 10
Burns Co. A & B	.40	Apr. 28	Apr. 7
Do. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Burrard D. D.	.11	Mar. 15	Feb. 22
Butterfly Hose	.25	Mar. 15	Feb. 15
Calg. & Ed. Corp.	.05	Apr. 15	Mar. 10
Can. Bread B pf.	.62½	Apr. 1	Mar. 10
Can. Cement pfd.	.32½	Mar. 20	Feb. 20
Can. Crushed Stone	.20	Mar. 20	Mar. 1
[illegible]			

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada — 1½% debentures, due Mar. 1, 1953, $325,000,000, issued Feb. 15, 1950. Sold at $99.30 to The Canadian Chartered Banks.

PROVINCIAL

Province of Saskatchewan—3½% debentures, due Feb. 1, 1968, $900,000, issued Feb. 15, 1950. Sold at $98.577 to Dominion Securities Corp., A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., Royal Bank, Canadian Bank of Commerce and Houston Willoughby & Co. Ltd.

Hydro-Electric Power Commission (guaranteed by Prov. of Ont.)—3% bonds, due Apr. 1, 1970, $55,000,000, dated Apr 1, 1950. Offered at $99.75 and accrued interest to yield 3.02% by McLeod, Young, Weir & Co. Ltd., Wood, Gundy & Co. Ltd., Bell, Gouinlock & Co. Ltd., Dominion Securities Corp. Ltd., Mills, Spence & Co. Ltd., A. E. Ames & Co. Ltd., Royal Securities Corp., Ltd., Midland Securities Ltd., McTaggart, Hannaford, Birks & Gordon Ltd., Cochran, Murray & Co. Ltd., Harrison & Co. Ltd., Fry & Co., Matthews & Co., Collier, Norris & Quinlan Ltd., R. A. Daly & Co. Ltd., Gairdner & Co. Ltd., W. C. Pitfield & Co. Ltd., Burns Bros. & Denton Ltd., W. C. Harris & Co. Ltd., James Richardson & Sons, Fairclough & Co. Ltd., Anderson & Co., Bankers Bond Corp. Ltd., Bartlett, Cayley & Co. Ltd., Brawley, Cathers & Co., J. L. Graham & Co. Ltd., Charles H. Burgess & Co., Flemming & Co. and Ramsay Securities Co. Ltd.

MUNICIPAL

Village of Forest Hill, Ont.—3¼% debentures, due Mar. 1, 1951-65, $125,000, issued Feb. 15, 1950. Sold at $101.461 to Bank of Toronto and R. A. Daly & Co. Ltd.

City of Fort William, Ont.—3½% debentures, due Mar. 1, 1951-70, $600,000, issued Feb. 15, 1950. Sold at $101.605 to Nesbitt, Thomson & Co. Ltd., Fairclough & Co. Ltd. and Jas. Richardson & Sons.

City of Saskatoon, Sask.—3%, 3½% and 3¾% debentures, due Apr. 1, 1951-60-70-80, $1,577,000, issued Feb. 20, 1950. Sold at $100.47 to J. L. Graham & Co. Ltd., Canadian Bank of Commerce, Bank of Nova Scotia, Bankers Bond Corp. Ltd., Cochran, Murray & Co. Ltd., Fairclough & Co. Ltd. and Anderson & Co. Ltd.

Town of Simcoe, Ont.—3¼% debentures, due Mar. 1, 1951-70, $225,000, issued Feb. 17, 1950. Sold at $101.217 to J. L. Graham & Co. Ltd., and Canadian Bank of Commerce.

Township of Toronto, Ont.—3¼% debentures, due Mar. 1, 1951-70, $289,800, issued Feb. 16, 1950. Sold at $100.79 to Wood, Gundy & Co. Ltd.

Town of Walkerton, Ont. — 3% debentures, due Mar. 1, 1951-65, $27,000, issued Feb. 13, 1950. Sold at $100.07 to Harrison & Co. Ltd.

County of York, Ont.—2½% debentures, due Mar. 1, 1951-55, $100,800, issued Feb. 14, 1950. Sold at $100.91 to Canadian Bank of Commerce and J. L. Graham & Co. Ltd.

East Broughton, Que.—3½% debentures, due Jan. 1, 1951-65, $20,000, issued Feb. 14, 1950. Sold privately at $100.

Protestant School Commission of Grenville, Que.—2½%, 3%, 3¼% and 3½% debentures, due Oct. 1, 1950-54-59-69, $36,500, issued Feb. 14, 1950. Sold privately at $97.90.

School Commission of Louiseville, Que.—3%, 3¼% and 3½% debentures, due Oct. 1, 1950-54-59-64, $300,000, issued Feb. 14, 1950. Sold privately at $99.

Parish of La Presentation, Que.—3½% debentures, due Nov. 1, 1950-69, $44,000, issued Feb. 14, 1950. Sold privately at $100.

St. Faustin, Que.—3½% debentures, due Oct. 1, 1950-60, $5,000, issued Feb. 14, 1950. Sold privately at $95.

CORPORATE

Western Canada Breweries Ltd. — 4¼% and 5% first mortgage and collateral trust bonds and convertible debentures, due Feb. 15, 1965-67, $8,000,000, dated Feb. 15, 1950. Offered at $100 and accrued interest to yield 4.25% by W. C. Pitfield & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Osler, Hammond & Nanton Ltd., Rene-T. Leclerc, Inc., L. G. Beaubien & Co. Ltd., The Western City Co. Ltd., Pemberton & Son, Vancouver Ltd., Collier, Norris & Quinlan Ltd., Milner, Ross & Co., Gairdner & Co. Ltd., C. M. Oliver & Co. Ltd., Yorkshire Securities Ltd., A. E. Jukes & Co. Ltd., H. J. Bird & Co. Ltd. and Lauder Mercer & Co. Ltd.

Kelvinator of Canada — 3½% and 3% serial, sinking fund debentures, due Mar. 1, 1951-60-65, $2,000,000, dated Mar. 1, 1950. Sinking fund debentures offered at $100 and accrued interest by A. E. Ames & Co. Ltd. Serial debentures are not available for public sale.

G. H. Wood & Co. Ltd. — 4½% first mortgage sinking fund bonds, series "A," due Mar. 1, 1965, $500,000, dated Mar. 1, 1950. Offered at $100 and accrued interest to yield 4½% by Gairdner & Co. Ltd.

Woodhouse Realties Ltd.—4½% 1st closed mortgage sinking fund bonds, due Feb. 1, 1970, $800,000, issued Feb. 14, 1950. Offered at $100 by Gairdner & Co. Ltd.

Imperial Tobacco Co.—3% sinking fund debentures, due Mar. 1, 1970, $10,000,000, dated Mar. 1, 1950. Offered at $98.15 and accrued interest by A. E. Ames & Co. Ltd. and Dominion Securities Corp. Ltd.

PREFERRED

Union Acceptance Corp. — 48,475 class "A" preferred shares ($10 par value). Offered at $10 per share (each class "A" share will carry a bonus of one class "B" or common share), by Union Acceptance Corp.

G. H. Wood & Co. Ltd.—$400,000, 5½% cumulative, redeemable sinking fund preferred shares (par value $100). Offered at $90 per share flat to yield 5.55% by Gairdner & Co. Ltd.

Simpsons Ltd.—$5,000,000, 4½% cumulative, redeemable preferred shares (par value $100). Offered at $98.75 per share by Wood, Gundy & Co. Ltd., Royal Securities Corp. Ltd., Nesbitt, Thomson & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Mills, Spence & Co. Ltd., Midland Securities Ltd., W. C. Pitfield & Co. Ltd., Bell, Gouinlock & Co. Ltd., James Richardson & Sons, Gairdner & Co. Ltd., L. G. Beaubien & Co. Ltd., Cochran, Murray & Co. Ltd., Rene-T. Leclerc Inc., W. C. Harris & Co. Ltd., Burns Bros. & Denton Ltd., R. A. Daly Co. Ltd., Milner, Ross & Co., Fairclough & Co. Ltd., The Western City Co. Ltd., Matthews & Co., McTaggart, Hannaford, Birks & Gordon Ltd., Collier, Norris & Quinlan Ltd., Yorkshire Securities Ltd., Savard, Hodgson & Co. Inc., Eastern Securities Co. Ltd., Wills, Bickle & Co., H. B. Housser & Co. Ltd., Isard Robertson & Co. Ltd., Melady, Sellers & Co. Ltd., Lauder Mercer & Co. Ltd., Dudley, Dawson Ltd. and Jennings, Petrie & Co. Ltd.

COMMON

Brantford Cordage Co.—50,450 class "A" shares (no par value). Offered at $15 per share flat by A. E. Ames & Co. Ltd.

Brazilian Traction, Light and Power Co.—200,000 ordinary shares (no par value). Offered at $20 per share flat by A. E. Ames & Co. Ltd., Dominion Securities Corp. Ltd., Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Nesbitt, Thomson & Co. Ltd., Greenshields & Co. Inc. and Jas. Richardson & Sons. These shares have already been sold.

Dividends Declared (con't.)

	This payment $	Date payable	Date of record
Pressed Metals	.25	June 1	May 10
[illegible]			

*American funds. †Initial. ‡Extra. §Special.

New Highs and Lows

During the week ended Feb. 25, 39 new highs were recorded among the general stocks on Canadian stock exchanges and six new lows. In the mining group there were nine new highs and eight new lows. In the western oil group there were no new highs and one new low.

GENERAL

New Highs—1949-50

Bank of N. S.
Brant. Roof.
B. C. Power A
Bruck Mills B
Can. Perm. Mort.
Can. Starch
Can. Steamship
Do. pref.
Cdn. Celanese
Cdn. Gen. Invest.
Cdn. Vickers
Cdn. Wire. Box
Capital Estates
Cassidy's
Cons. Textile
Cresc. Cream.
Dom. Scot. Inv.
F. W. Horner pfd.
Int. Paper pref.
Inv. Foundations
Kelvinator
Lindsay, C. W. pf.
Maclaren Power
Man. Sugar pref.
Mitchell, Robt.
Monarch Mtge.
Moore Corp. A pf.
Do. 4% pref.
Powell River
P. L. Robertson
Shea's Brewery A
Silknit
Stand. Chem. pref.
Standard Paving
Do. pref.
Sterling Trust
St. Law. Corp. 1 pf.
Walker, Hiram
Westminster P. B.

New Lows—1949-50

Fleet Mfg.
Ont. Beauty Sup. p.
Paul S. S.
Renold-Cov. A
Steel of Can. new
Do. pfd. new

MINING

New Highs—1949-50

Barnat Mines
Cons. Ansley
Jellicoe
Lake Fortune
MacL'd-Cockshutt
Magnet Cons.
Noranda
Silver Miller
Tombill

New Lows—1949-50

Athona
Bulolo Gold
Crestaurum
Pacific East Gold
Perron Gold
Quesabe
Silanco
Winora

OILS

New Lows—1949-50

East Crest

F. H. DEACON & CO.
Business Established 1897
Members The Toronto Stock Exchange
197 BAY ST. — TORONTO 1 — ELGIN 3401

DEACON FINDLEY COYNE
LIMITED
MEMBERS INVESTMENT DEALERS' ASSOCIATION OF CANADA
Government, Municipal and Corporation Bonds
197 BAY ST. — TORONTO 1 — ELGIN 3401

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
244 BAY STREET, TORONTO WA. 4781
BRANCH
3030 DUNDAS ST. W. (opposite High Park Ave.) JU. 1167

MOSS, LAWSON & CO.
Members The Toronto Stock Exchange
• Most people work hard to make money—few put the same effort into making their savings work hard for them. Our long experience and accumulated knowledge of stocks and stock markets have helped a lot of folks to build a better financial future for themselves. We can try to help you—if you ask us.
219 BAY ST. • TORONTO 1 • ELGIN 9281
FRANK G. LAWSON • WILLIAM J. KERR • DONALD M. M. ROSS • R. B. G. CLARKE

here's why you should check your will
① Current low investment rates.
② Current high living costs.
③ Change in nature of assets.
④ Change in beneficiaries.
If your will requires reviewing, a discussion with one of our Trust Officers can be of assistance in bringing it up to date. There is no obligation to you.
The CANADA TRUST Company
Branches in 6 Provinces
London (Ont.) - Toronto - Guelph - Hamilton
St. Thomas - Chatham - Windsor - Winnipeg - Regina
Edmonton - Vancouver - Victoria

TODAY you know—What of TOMORROW?
One of the first things you do when you acquire a car or a home is to put on insurance — not that you expect to have an accident or a fire tomorrow — but for the peace of mind and protection in case the unexpected happens.
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Recently elected to the Board of Directors of The Northern Trusts Company, is the senior member of MacPherson, Milliken, Leslie & Tyerman of Regina. Mr. MacPherson is also a Director of the Dominion Bank. *

MINING INVESTMENTS

See U.S. Metal Markets Able to Absorb Surpluses

Barring long-drawn-out difficulties in U. S. coal which would slow economic activity for an extended period, the United States nonferrous metal markets appear able to absorb any surpluses of copper, lead and zinc, which Canadian producers may be unable to sell in the United Kingdom in coming months.

The New York metal markets haven't been very active recently — most consumers have been waiting for settlement of the coal strike — but the statistical situation suggests the U. S. is going to have to continue buying large quantities of metals from abroad.

Activity has been light in copper not because consumers have not been willing to buy so much as because of an actual lack of readily available metal. Consumers are now waiting for opening of books for April delivery copper.

Copper consumption experienced a sharp rebound in January after a big drop in December. January U. S. use amounted to 108,921 tons, up 25,500 tons. The increase was 1,000 tons more than the drop in December.

A factor tending to keep lead firm in the United States has been the three months' old strike at the Selby smelter of American Smelting & Refining Co. This smelter normally turns out lead at a rate of 120 million lb. per annum.

While the present zinc price is satisfactory to most Canadian producers, many U. S. mines claim inability to produce at the present price, are strongly demanding subsidy at Washington. But strong arguments are being used by other sections of the industry as to why there should be no resort to subsidy.

If demands for subsidy fail, competitive position of zinc producers outside the United States will be relatively better.

• • •

Need More Iron Ore?

According to recent computations, the U. S. steel industry would require a much larger tonnage of iron ore than formerly to maintain operations at capacity.

A capacity of 99,382,800 tons has now been established by the U. S. steel industry, which is eight million tons greater than three years ago.

Authorities estimate that operating at capacity, the U. S. steel industry would require no less than 134 million tons of iron ore a year. This raises sights considerably on previous consumption requirements.

With the existing coal strike, of course, the U. S. steel industry is working far below capacity. And even without the strike, it is doubtful if full capacity would be required to meet current demands.

But the situation nevertheless appears to have great long-term significance for Canada. The Mesabi range could not sustain production at this rate for any extended period. The Mesabi people themselves admit the situation is serious and are campaigning for extended rights to exploration, establishment of taconite plants costing a billion dollars.

Canadian iron ores may prove the answer to an embarrassing U. S. problem. Growing need for new iron ore sources could conceivably result in a decision not only to rush the Labrador iron ore project but to press even more strongly for the St. Lawrence seaway.

• • •

Nor-Acme Responds

Howe Sound Co. has been doing quite well from operation of its big Nor-Acme mine and 2,000-ton mill, this U. S. company's 1949 annual report reveals.

"Under the Canadian Gold Mines Assistance Act, the company is receiving subsidy payments based on the cost of its gold production, and satisfactory financial outcome was obtained," the report states.

The property at Snow Lake, Manitoba, became commercially operative June 1, 1949. Milling operations began with tonnages available below capacity level but milling rate was increased from month to month as the mine was opened and before the end of the year reached full capacity of 2,000 tons.

Grade of ore produced from the mine approximated expected values but metallurgical results were below those anticipated. Very definite progress was made in solving difficulties, however, and results at least equal to those from laboratory work are anticipated.

MINING CONCENTRATES

ANACON LEAD MINES has received payment for Feb. 24 installment of 125,000 shares at 50c a share under agreement with A. J. Bendall, Fairbanks, Kirby & Co. and E. H. Pooler & Co. Issued capital is 3,400,005 shares, leaving 99,995 in the treasury.

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CALDER - BOUSQUET GOLD MINES will undertake a surface diamond drilling program to follow up a geophysical survey which indicated two important anomalies in the south-central part of the property and outlined a bend in the main Cadillac "break" with which main gold occurrences on the property are associated. Drilling will explore the area where the bend occurs and the eastern and western extremities of the area covered by the anomalies, where presence of a subsidiary break paralleling the main shear is indicated.

• • •

CANDEGO GOLD MINES reports that ore structure and high-grade persists at depth. Milling operations will be resumed in May, at which time the power plant, which was destroyed by fire, will be replaced and some tonnage of proven ore of a grade at least of the average milled last fall is expected to be available.

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COLONIAL ASBESTOS CORP. has four claims in Munro Twp., Lightning River area which show possibilities of serpentine occurrences containing asbestos according to a geologist's report. A sill of serpentinized peridotite trends in a northwesterly direction and passes to the south of the company's claims. There are a number of parallel sills and there is a possibility that one of them may pass through the southwesterly portion of the company's holdings. The report recommends that options on six other claims be not taken up until further examination.

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CHEMICAL RESEARCH CORP. has received payment for balance of Feb. 16 underwriting of 47,000 shares at 50c a share under sale agreement with A. W. Wallace. Issued capital is 900,000 shares, leaving 1,100,000 in the treasury.

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LA RONGE URANIUM MINES has flown a two-ton sample of uranium ore, blasted on its Nistowiak Lake property, to Ottawa to be tested for possible commercial value. Preliminary tests are stated to have shown .334% U_3O_8.

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NEW AUGARITA PORCUPINE MINES latest drill hole, about 1,000 ft. east of Preston East Dome's east boundary and 1,000 ft. south of the Dome line, cut 10 ft. of typical Porcupine porphyry, officials state. A 3-ft. core within the 10-ft. section between 1,258 and 1,268 ft. was well mineralized. Assays are expected later in the week.

Magnet Consolidated Reports High Values

Magnet Consolidated Gold Mines reports values of 5.35 ozs. of gold across 2.4 ft. and .62 ozs. across the adjoining 2 ft. on the drift face of its new parallel vein on the 10th level, making a commercial width of 4.4 ft.

Drifting has now been carried out on the vein for 35 ft. with grade improving. First 20 ft. averaged 1.2 ozs. across 1.6 ft. and the vein has been widened out in the last few rounds.

These results have been obtained with the best drill hole in the 300 ft. length drilled still 150 ft. away. Officials are therefore optimistic of the chances for developing an excellent shoot in this vein.

The new deep diamond drill hole is now down 550 ft. and the objective is expected to be cut at 600 ft.

Campbell Red Lake Acquires Dexter

A special meeting of shareholders of Dexter Red Lake Gold Mines has authorized sale of the company's property adjoining Campbell Red Lake Mines for 207,500 shares of Campbell.

Campbell shares received will permit a distribution of one share of Campbell for each 10 shares of Dexter held. Dexter plans to surrender its charter on distribution of Campbell shares and a return of capital amounting to 1¾ cents a share will also be made.

Dome Outlines Oil Program

Dome Exploration (Western) Formed to Get Into Alberta Oil

A new company known as Dome Exploration (Western) Ltd. has been formed by Dome Mines as a vehicle for western oil activities of Dome and associates.

Its authorized capital is $10 millions in notes due Feb. 1, 1960, and 250,000 common shares with $1 par value. Notes bear interest at 1% to Feb. 1, 1951, 2% thereafter to Feb. 1, 1952, and then at 3% to maturity. They may be redeemed in whole or in part on 30 days' notice at par plus accrued interest.

Raise Over $10 Millions

Proceeds to the company are expected to amount to $10 millions from notes plus $249,993 from sale of treasury shares beyond qualifying directors' shares.

According to the prospectus filed with Secretary of State at Ottawa, Dome Mines contemplates purchase of $2.5 millions principal amount of notes and 62,493 shares of capital stock; Surplus Assets Corp. (a wholly owned subsidiary of Empire Trust Co.) plans to purchase 18,750 shares of capital stock. The remaining $7.5 millions of notes and 168,750 shares of common stock are expected to be offered to a "limited number of corporations, groups and individuals selected by the directors or officers of the company." Such corporations, groups and individuals are not expected to exceed 15, considering a group as one. Such corporations, groups and individuals are expected to include Carl M. Loeb, Rhoades & Co., Mr. Morton and certain other partners of State Street Research & Management Co. and State Street Investment Corp. of which Mr. Morton is vice-president.

Restrict Resale

It is stated to be the present intention not to accept any subscriptions for any of the notes or shares of stock offered by the prospectus unless "the subscriber undertakes in writing and in form satisfactory to the company to refrain from the sale of shares of capital stock covered by his subscription until such time as the company shall have income-producing oil assets, unless a majority of the board of directors shall consent to such sale."

The new company as of Feb. 27 had not acquired any oil lands but outlines its proposals in this respect in the following terms:

"It is contemplated that the company will bid at public auctions conducted by the Province of Alberta for so-called Crown leases in various areas, including among others, the so-called Redwater and Stetler areas. It is anticipated that the bidders at such auctions will include a number of the major oil companies. . . . The prices which will be bid for such leases will vary substantially in amount, depending upon their location. The company may also attempt to acquire Crown leases in the Provinces of Saskatchewan and British Columbia, if they become available."

COMPANY REPORTS

BONETAL GOLD MINES reports its most important development in 1949 was the opening of a new ore body on the western part of its property by the extension of a drift into this section from the 970-ft. level of the adjoining Porcupine Reef mine.

This ore body was opened up for a length of 321 ft. averaging 0.92 oz. uncut and 0.27 oz. cut over 7.6 ft. on chip sampling with 897 cars averaging 0.49 oz. uncut and 0.37 oz. with highs cut to an ounce. Intensive development is planned of an area to the southeast where 0.41 oz. over 160 ft. east was cut in a drill hole.

A net profit of $552 was realized in 1949 against a loss of $32,788 the preceding year.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Production	$210,068	$172,435
Less: Oper. exp.	223,408	180,075
Oper. loss	13,340	7,640
Less: Other inc.	575	981
Cost-Aid rec.	38,350	30,505
Add: Depr.	10,342	20,728
Def. dev. w/o	14,641	35,906
Inc taxes	50	.....
Net prof. & surp.	552	*32,788

*Loss and deficit.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$12,134	$4,613
Dom. bds.	2,962	3,000
Accts., etc., rec.	17,743	1,010
Cost-Aid rec.	12,426	11,543
Total curr. assets	45,265	20,166
Hydro dep.	2,000	1,937
Org. exp.	2,370	2,370
Def. devel.‡	231,027	245,668
Mining props.	76,076	76,076
Fixed assets*	60,164	70,506
Disc. on stock	2,670,343	2,670,343
Total assets	3,087,245	3,087,066
Total curr. liabs.	334	707
Capital stock	3,174,173	3,174,173
Less: Deficit	87,262	87,814
*After depr. of	77,728	67,386
‡Less w/o	140,723	126,082
Working capital	44,931	19,459

OPERATING STATISTICS

	1949	1948
Tons milled	45,377	42,919
Average recov.	$4.63	$4.02

RENABIE MINES bullion output in Jan. was $110,061, compared with $90,924 in Dec. and $89,447 in Jan., 1949. Amount to be received under the provisions of the Emergency Gold Mining Assistance Act for Jan. is estimated at $8,483.

QUEENSTON GOLD MINES LTD. has received payment for Feb. 20 underwriting of 125,000 shares at 90c a share under agreement with Harlake Holdings Ltd. Issued capital is 3,125,005 shares, leaving 1,374,995 in treasury.

NORSEMAN MINES LTD. advises that diamond drill hole D-3, at 1,257 ft., cut a 3-ft. width containing 60% sulphides, mostly pyrite. This occurs below a section containing chalcopyrite which was encountered in hole B-1 and it also lines up with a magnetic high obtained in a magnetometer survey.

Frobisher Head Sees Equity In $25 Millions of Profits

President Thayer Lindsley of Frobisher Ltd. declared at his company's annual meeting this week that he would not be satisfied until enterprises sponsored by his company showed combined operating profits of $25 millions.

The three most attractive interests at present were stated to be Giant Yellowknife, United Keno Hill Mines and the Kilembe copper property in Uganda, Africa.

At the Kilembe property exploration of the occurrence by adits is proceeding with the objective of outlining 10 million tons of ore. Present reserves are reported in the neighborhood of three million tons. Discussions have taken place with the Uganda Government whereby royalty and other terms will be granted. When all details have been arranged, the view was expressed that Rio Tinto Mines would join Frobisher in further development of Kilembe. It will take this year and next to determine the potentialities of the property, Mr. Lindsley indicated.

At Mediterranean Mines in Greece, installation is proceeding of a 200-ton mill for production from their silver-lead-zinc properties. The Economic Co-operation Administration has granted the company $430,000 to proceed with the mill. Potentialities of this property were stated to equal anything Frobisher has.

CIMM Convention April 17-19 Inc.

Annual convention of the Canadian Institute of Mining & Metallurgy will be held at the Royal York Hotel, Toronto, April 17 to 19 inclusive. The convention will be followed by meeting of the retiring and incoming councils on April 20.

The Association's Hotel Committee reports that arrangements have been made to accommodate up to 1,100 visitors in various hotels.

Among subjects to be discussed are radio-active minerals, metallurgy, industrial minerals, coal, geophysics and geology, and petroleum production.

A special program has been arranged for ladies attending the convention.

Lake Surprise Extends Its Gold-Bearing Zone

The main gold-bearing zone at the Chibougamau, Quebec, property of Lake Surprise Mine continues to be extended by diamond drilling, the company reports.

Diamond drill hole No. 7 intersected the main zone 400 ft. east of Hole No. 1 and Hole No. 8 has intersected a series of mineralized zones.

Hole No. 7 returned the following gold values: 4.3 ft. of $5.39 from 169.2 ft. to 173.5 ft. and 1.9 ft. of $4.23 from 179 to 180.9 ft.

Hole No. 8 which intersected the series of mineralized zones, has been completed to a depth of 628 ft. It was drilled south of the main zone to explore for parallel occurrences.

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DOMINION U DRIVE

MARY ANN MINES reports its first two shallow drill holes completed in a red syenite dike on company's western group of claims east of Upper Canada. First deep hole in the 5,000-ft. program will be drilled currently. The mineralized red syenite now being drilled is probably the same age as that at Upper Canada, so that it is possible that an orebody may be located in this dike, according to G. R. McLaren, the company's consulting engineer.

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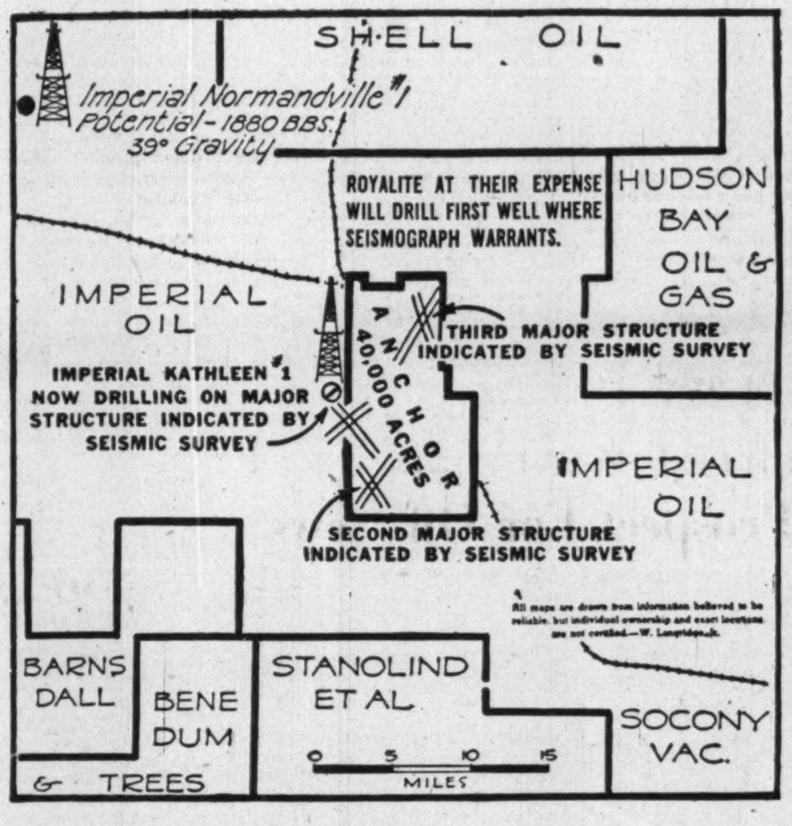

Imperial Kathleen No. 1 Well, now drilling below 3,500 feet, is located on a structure of "major importance" indicated by a Seismograph Survey made by Imperial Oil Limited on both ANCHOR and IMPERIAL ground. The structure extends over acreage of both companies and in return for agreement to make a joint lease application in the event that oil production is obtained, the Imperial Oil Company agreed to drill the Kathleen Well entirely at its OWN expense to test the potentialities of the combined acreage block.

ANCHOR PROPERTY

Anchor Petroleums Limited, through its wholly owned subsidiary Toroil Limited, controls the Crown Reservation of approximately 40,000 acres located about 30 miles south of Peace River Town, and ENTIRELY SURROUNDED, as will be noted on the map, by similar holdings of Imperial Oil Limited, including the site of the important Normandville discovery well.

IN PARTNERSHIP WITH ROYALITE

Late in 1949, following overtures made to the Anchor Company by several of the largest and most successful companies in the Oil Industry, Anchor Petroleums accepted the proposal made by Royalite Oil Limited for joint development of the Anchor Reservation and providing among other arrangements for the drilling of an initial test well ENTIRELY AT THE EXPENSE OF ROYALITE on such seismic anomaly similar to that on which the Kathleen well is drilling as might be indicated by a Seismic Survey of the Anchor ground. It was subsequently arranged that this Survey would be done for Anchor and Royalite by Imperial Oil; and, though not yet completed, the survey has already revealed TWO OTHER structures on the Anchor property, also of "major importance."

PROFIT POTENTIAL

With only 3,000,000 authorized shares of $1 par value of capital stock, a comfortable treasury position, currently in excess of $60,000 cash, and with virtually no exploration expenditures required in view of the development commitments made by Imperial Oil and Royalite Oil, it is our opinion that the Anchor Petroleums situation is extremely unique, and offers the possibility of definitely spectacular profits for owners of Anchor Petroleums shares. Success in the next few weeks in the drilling of Imperial Kathleen No. 1 Well alone could "prove up" acreage on Anchor ground with a potential value up in the MILLIONS OF DOLLARS with equal and additional possibilities attaching to the company's acreage embracing the other two "major structures" located by the seismograph.

We consider ANCHOR PETROLEUMS shares at their current market level to be a speculation in Western Canada's oil development of outstanding merit and major profit potential.

S. S. TOBIAS LTD.

S. S. Tobias, President

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NEW DICKENSON MINES LIMITED
PROGRESS REPORT

The new crushing, grinding and ball mill units, together with the motors and all other accessories have now been delivered to the New Dickenson property.

Installation of this equipment is now in progress and it is expected that the present tonnage will be more than doubled during May of this year. The full capacity of the plant will be over 300 tons per day. Company officials are now determining the type and size of roasting plant necessary to get maximum recovery from the ore. In the meantime, concentrates are being stockpiled.

With mill heads averaging better than $20.00 for the month of February, production figures continue to indicate a bright future for New Dickenson. Last word from the mine reported all development faces in the North "C" and South "C" to be in good grade ore.

For further information regarding this interesting property, write or phone

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Little Long Lac Interest at New Peak As Mosher Drill Gets Good "Structure"

With MacLeod-Cockshutt, Mosher Long Lac, Tombill, etc., working into new high market ground this week, Little Long Lac continues to enjoy its greatest market following in years.

While MacLeod-Cockshutt isn't currently pushing its 10th level west heading further along its new ore body (already opened within 1,500 ft. of the Mosher boundary), picking up of structure at Mosher was enough to further whet the speculator's appetite.

A first drill hole put down by Mosher in its newly-launched program cut a quartz stringer zone which apparently bears a marked resemblance to the MacLeod "F" ore zone and which could conceivably be its extension. The Mosher hole was located 750 ft. west of the MacLeod line and was drilled to the south at 65 deg. with final completion depth of 540 ft. The stringer zone came in the upper part of the hole from footage 25 ft. to 150 ft. Sulphides in iron formation were found deep in the hole.

Lines Up With MacLeod

Whether or not assays in the first hole proved commercial, location of structure appeared important. There is a distance of only about 500 ft. between the north and south iron bands where the possible extension of the MacLeod zone would be expected to lie, and the intersection lies in this area very closely on the line of strike of the MacLeod zone.

Location has been selected for a further hole 200 to 300 ft. north of the initial hole. Pointed south, this hole will test the structure at greater depth on its dip.

President Murdock Mosher tells The Financial Post that, as described by long distance telephone to him, the intersection in the initial hole represented a series of quartz veinlets from a half to two inches wide separated by altered mineralized material. Complete detailed assays were not expected to be available until Friday or Saturday due to an unexpected delay in delivery of core to the Bell laboratory at Haileybury.

Tombill Ponders Plans

To the west of Mosher, the Tombill management reports that similar structure was found on their ground near the boundary with Mosher years ago. The odd hole was put down but the structure was never really followed up with further drilling.

Tombill has planned to further explore a new showing to the west turned up last fall—a new program of work has been given approval—but with Mosher carrying on drilling, directors are watching with interest to see what significance results may have to Mosher. With approximately 70 claims, Tombill Gold Mines has the largest property in the Little Long Lac area and has recently had overtures from others wishing to make deals on part of the Tombill ground. None of these, however, have been sufficiently attractive to be taken seriously, it is stated.

Adjoining Tombill, it has been reported that McLellan Long Lac may undertake a new program of exploration.

MacLeod Tests 11th

Key to interest in the Little Long Lac area, of course, is MacLeod-Cockshutt Gold Mines. While the westerly drive has been temporarily suspended to permit more extensive mining preparations at this level, the ore was about 53 ft. wide with a $10.89 grade where exploration ended and the prospects for a good extension of ore to the west are bright. In order to avoid complications of handling ore, the company is now directly feeding ore from the new ore body to the mill and the extra test milling unit has been closed down for the time being. This change has been made possible by the fact that the material being mined is definitely ore grade.

Results should be forthcoming shortly from the new zone on the 9th and 11th horizons. At the 11th level, a drift has been turned off the crosscut but it is too early yet to say just what results are like. Some "drilling off" with flat holes will have to be done from the drift.

The MacLeod new gold ore body is one of Canada's newest and finest and chances are that it will play quite a role in reviving the fortunes of the entire camp.

Sherritt Adds To Its Ore 20 Years' Supply Is Goal

Over 10 million tons of ore has now definitely been placed in sight at the Lynn Lake property of Sherritt Gordon Mines, The Financial Post understands. This is up from reserves of 8.3 million tons a year ago.

Current reserves approximate 15 years' supply for a 2,000-ton mill and hopes are apparently high that the big development program now in progress will see reserves reach an objective of 20 years' feed for a 2,000-ton mill some time in the current year.

Two development crews are pressing work at the 1,000-ft. level at the Lynn Lake property. One crew is pushing the south drift over to the "B" ore body, with substantial ore news expected to be made in this sector during the summer. The other crew is working on crosscuts and drill stations at the 1,000-ft. level for furthering the big deep drilling program now in hand.

Five Drills Working

Five drills are at work in all at the 1,000-ft. level. Three drills are searching and testing for extensions of ore around the lower "A" ore body. Other drills are doing further investigation of the "C" and "E" ore bodies which are not far removed.

Despite substantial expenditures at Lynn Lake, working capital is understood to have been in the neighborhood of $3,750,000 at the end of 1949.

At the original Sherridon property, there have been no new developments of consequence but it is hoped that production will continue to the end of the year if not longer. Production currently is comparable to this time a year ago with no great change in output levels as yet.

Laurie Power Best

Further investigations have indicated fairly definitely that the Laurie River system presents the best power potentialities for hydro-power requirements at Lynn Lake. The site, 44 miles south of Lynn Lake, would supply sufficient power for an operation of 2,000 tons capacity. Cost of a development at this location would be but a small fraction of the cost of developing the larger Granville Falls site.

Metallurgical research continues satisfactorily and the prospects are that a process can be introduced which will eliminate the need for both smelting and refining facilities. The company has apparently the choice of either turning out a nickel oxide or nickel metal plus a marketable copper product.

Sherritt is centring its present exploration program on a favorable greenstone belt in the Oxford Lake area which is ideal for large-scale geophysical reconnaissance. Past work has shown a couple of anomalies here and there have been some surface indications of base metal possibilities in the area. Oxford Lake is located about 50 miles west of God's Lake and 80 miles south of Ilford on the Hudson Bay Railway.

Two drills are available for drill exploration in this area.

Earnings in 1949 were close to the record profit of 26.4 cents a share of 1948.

OIL PRODUCTION

Imperial Waybrook No. 1 A Prospect For Oil News

From Our Own Correspondent

CALGARY—Is Imperial Oil going to have another oil discovery at its Imperial Waybrook No. 1 well located 30 miles north of Edmonton?

There is stated to be a definite possibility that this will be the case.

The Waybrook well has set casing in the assumed D3 zone at 4,056 to 4,075 ft. Imperial hasn't announced the formation but structure is "guessed" from information on other wells drilled in this district.

On Feb. 24, 1950, the Waybrook No. 1 well ran a test at interval 4,059 to 4,066 ft., recovered 20 ft. of mud only with valve open 15 minutes. A test from 4,063 to 4,075 ft. yielded salt water so the well was expected to be plugged back for probable perforation of the horizon immediately above.

* * *

Redwater Yield Jumps

Sharply increased production in the Redwater field is the force behind the jump in crude oil and natural gasoline production in Alberta during the past week. Average for the week of Feb. 20 was 67,826 bbl. daily, up almost 5,000 bbl. from the previous week's 62,982 bbl.

While output at Leduc and Turner Valley fell slightly, Redwater's was up by over 6,000 bbl. a day. The field gave 21,173 bbl. daily the week of the 20th as against 15,158 the previous week. Average output for the field a year ago was only 6,760 bbl. daily.

Leduc-Woodbend production fell from 30,239 to 29,551 bbl. per day while Turner Valley's dropped from 10,920 to 10,437. Output from the Lloyd field and other wells in the province, based on figures for last December remained approximately the same at 1,995 and 2,954 bbl. per day respectively. Natural gasoline recovered at Turner Valley was 1,716 bbl. daily.

Redwater also led in increasing the number of wells operating in the province. The total number was 1,058 against 1,049 the previous week. Redwater rose from 249 to 257 while Leduc was up one at 354. There were 277 wells on production in Turner Valley, 75 on the Alberta side of the Lloydminster field and 95 in other parts of the province.

* * *

Peace River Wildcat

After considerable negotiation, Hudson's Bay Oil & Gas, Union Oil of California and Imperial are joining forces for a test well to be drilled by Imperial in the Tangent district, south of Peace River town. The well is to be known as Imperial Tangent No. 1.

The Hudson's Bay-Union Oil team and Imperial Oil originally took up adjoining Crown reservations in the Tangent area and an anomaly straddling the common boundary was found by independent work completed. As separate reservations required the leaving of a mile wide corridor of Crown reserve between on conversion to lease, both groups stood to lose to the government the cream of the potential oil field.

An approach was made to the Alberta Government and a pooling arrangement similar to that previously approved in the Kathleen area was agreed to.

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Attention of ....
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FP-6

Tower Petroleums Close to Objective

Drilling of the Tower Petroleums initial well in the Stettler area is continuing with coring for the D2 formation proceeding at a depth of 5,140 ft., The Financial Post is informed.

Tower and its associates control a substantial acreage in this sector not far to the east of the section where other Stettler wells have proven substantial commercial production in both the D2 and D3 formations of the Devonian.

Tower Petroleums and Reef Petroleums recently announced jointly their purchases of substantial interests in a promising quarter section between the Simmons and Redwater field. Development will be carried out by the two companies in association with Pacific Petroleums, Calvan, Sunray and Atlantic Oils.

COMPANY REPORTS

MACASSA MINES realized a net profit equal to 16 cents a share in 1949, against 9.3 cents a share the preceding year.

The mine is in excellent physical condition, operating conditions have improved and labor supply was more plentiful, President R. A. Bryce reports to shareholders.

A substantial improvement in the financial position of the company was effected during the year. Bank indebtedness of $400,000 was wiped out by August 31, 1949, and $349,000 was received during the year from Renabie Mines, reducing indebtedness of that company to $441,871 at the end of year, exclusive of bonds.

Reflecting improved conditions a dividend of 3 cents a share was paid Dec. 15, 1949, leaving working capital of $360,027 at the end of the year against an excess of current liabilities over current assets of $272,597 a year before.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion prod.	$1,728,451	$1,436,670
Less: Oper. exp.	1,307,049	1,168,309
Oper. earnings	421,402	268,361
Add: Other inc.	40,697	15,394
Cost-Aid assist.	115,631	89,839
Net earnings	577,730	373,594
Less: Deprec.	24,249	29,113
Bank interest	8,187	30,100
No. 2 winze	23,663	......
Outside expl. w/o	4,072	12,729
Res. for taxes	96,883	51,306
Net profit	420,674	250,346
Less: Divds.	80,342	......
Surplus for year	340,332	250,346
*Deficit.		
Earnings per Share	$0.16	$0.093
Paid	0.03	......

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$348,650	$75,424
Accts. rec.	1,895	1,996
Cost-Aid assist.	51,000	40,000
Dom. bonds	16,745	16,745
Mat & supplies	133,793	124,202
Total curr. assets	552,083	258,367
Prep. ins.‡	7,894	2,894
Deferred chgs.	81,066	48,965
Inv. Renabie M.	1,171,089	1,529,353
Other invests.	165,370	162,163
Mining property	1,610,633	1,610,633
Plant & equip.*	115,241	95,461
Total assets	3,703,376	3,707,836
Bank loan	......	400,000
Accts. & wages pay.	95,056	86,464
Taxes reserve	97,000	44,500
Total curr. liab.	192,056	530,964
Capital stock	2,678,068	2,678,068
Surplus	832,252	498,804
*After depr. of	1,274,449	1,255,575
Working capital	360,027	•272,597

•Excess of curr. liab. over curr. assets.

OPERATING STATISTICS

	1949	1948
Tons milled	126,511	103,650
Av. recovery	$13.66	$13.86
Reserves, tons	451,690	450,400
Grade ($35 gold)	$14.25	$14.60

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

RENABIE MINES realized a net profit of $168,724 or 16 cents a share in 1949 after all charges including $110,042 of preliminary development written off.

"Underground development during the past year has been successful in indicating further large tonnages of ore," President R. A. Bryce reports.

Indebtedness to Macassa Mines was reduced by $349,000 during the year, to $441,871. Interest of $50,177 on notes and bonds was also paid during the period.

Major development during the year comprised drifting and crosscutting to develop ore bodies on the 250, 375, 525 and 675-ft. levels and the deepening of No. 2 shaft from 843 to 965 ft.

Ore reserves showed an increase of 125,000 tons, amounting to 440,000 tons averaging $8.75 a ton (at $35 gold) at the end of 1949.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion production	$1,193,808	$843,083
Less: Operating exps.	809,687	689,977
Operating profit	384,121	153,106
Add: Cost-Aid assist.	149,409	276,921
Net earnings	533,530	430,027
Less: Prelim. dev. w/o	110,042	110,042
Incorp. exp.	......	2,693
Deprec.	193,727	181,705
Bond interest	60,396	70,991
Loss on sale of assets	641	......
Net prof. & surp.	168,724	64,596
Earned per Share	$0.16	$0.06

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$69,450	$42,722
Accts. rec.	13,060	10,278
Cost-Aid assist.	65,000	100,000
Stores & mat.	149,035	125,988
Total curr. assets	296,545	278,988
Prep. exp.‡	348	1,147
Power line adv.	102,081	102,081
Other adv.•	16,254	17,891
Bd. disc., org. exp.	140,000	140,000
Def. devel., etc.	604,531	679,789
Mining props.	75,805	75,643
Bldgs. & equip.*	814,795	927,581
Total assets	2,050,359	2,223,120
Total curr. liabs.	81,952	103,374
Liab. to Macassa Mines:		
Curr. adv.	......	9,264
Demand notes	441,871	790,871
1st mtge. bonds	700,000	700,000
Accrued int.	136,045	125,465
Capital stock	429,550	429,550
Surplus	260,941	64,596
*After depr. of	374,638	181,705

‡Incl. in curr. assets in co's report.
•Adv. to the Corporation of the Improvement District of Renabie.

	1949	1948
Working capital	214,593	175,614

OPERATING STATISTICS

	1949	1948
Tons milled	155,049	100,072
Av. recov.	$7.70	$8.42
Reserves, tons	440,000	315,000
Grade ($35 gold)	$8.75	$8.75

LOUVICOURT GOLDFIELDS CORP. has received payment for Feb. 16 underwriting of 50,000 shares at 15c a share under agreement with Federal Trading & Agency Co. Issued capital is 4,600,000 shares, leaving 400,000 in the treasury.

LA LUZ MINES has declared a dividend of 5c a share payable in Canadian funds April 12, 1950, to shareholders of record March 10, 1950.

In Black Again At Yukon Cons.

Great improvement in operations of Yukon Consolidated Gold Corp. was shown in 1949, a preliminary statement reveals.

Provisional figures show net profit of $432,822 for the year, as against a net loss of $17,582 for 1948. These figures are exclusive of cost-aid which in 1948 was $196,533 and for 1949 is estimated to be $165,000.

During the season the company's eight dredges handled 8,556,300 cu. yds. from which gold production of $2,173,404 was realized. Stripping was carried on at dredges Nos. 6, 8, 9, 10 and 11 and thawing at Nos. 4, 8, 9, 10 and 11. No drilling was done.

Increased liquid resources of $1,190,000 at Dec. 31, exclusive of cost-aid, are accounted for by good production in Nov., receipt of 1948 cost-aid, the 10% premium on production as a result of devaluation and some reduction in expenditure.

Capital expenditures during the year amounted to $56,679, the greatest part on buildings.

Stripped and thawed reserves at Dec. 31, stood at 21,172,120 cu. yds., a slight decrease from the 1948 figure of 21,822,027 cu yds. Figures on proved gravel reserves will be presented with the annual accounts. Prepared ground ahead of each dredge is enough for a full season's work.

Operations are now suspended until April or May, the end of the winter freeze-up.

Negotiations with the union, whose agreement with the company expired on Sept. 1, resulted in a new one-year agreement running from Nov. 1. The new plan leaves the basic wage scale unchanged but provides for a cost of living bonus of $1.50 a shift to married employees maintaining a residence in the area of the company's operations, together with a flat seasonal allowance of $100 to each employee on account of transportation expenses. As this latter proviso is dependent on men working the full season, greater stability in the working force is expected.

Secretary C. E. McLeod does not expect that the company will receive any cost-aid during 1950 but states that this will be made up by the 10% premium on production. Improved efficiency, it is hoped, will partly offset the increased labor cost.

HEVA GOLD MINES balance of Feb. 15 installment of 18,000 shares at 10c a share together with each subsequent installment under agreement with Dunlo Investors Ltd., have been extended for three months.

NEW DICKENSON MINES reports that by agreement dated Feb. 16, Brewis & White Ltd. has underwritten 50,000 shares at 60c a share and has optioned 150,000 shares at the same price.

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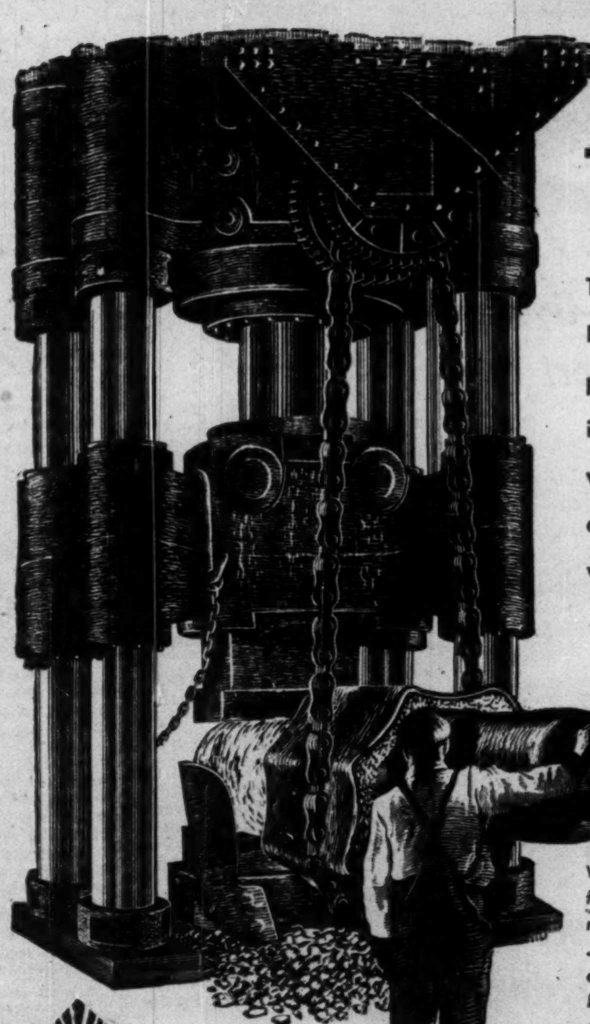

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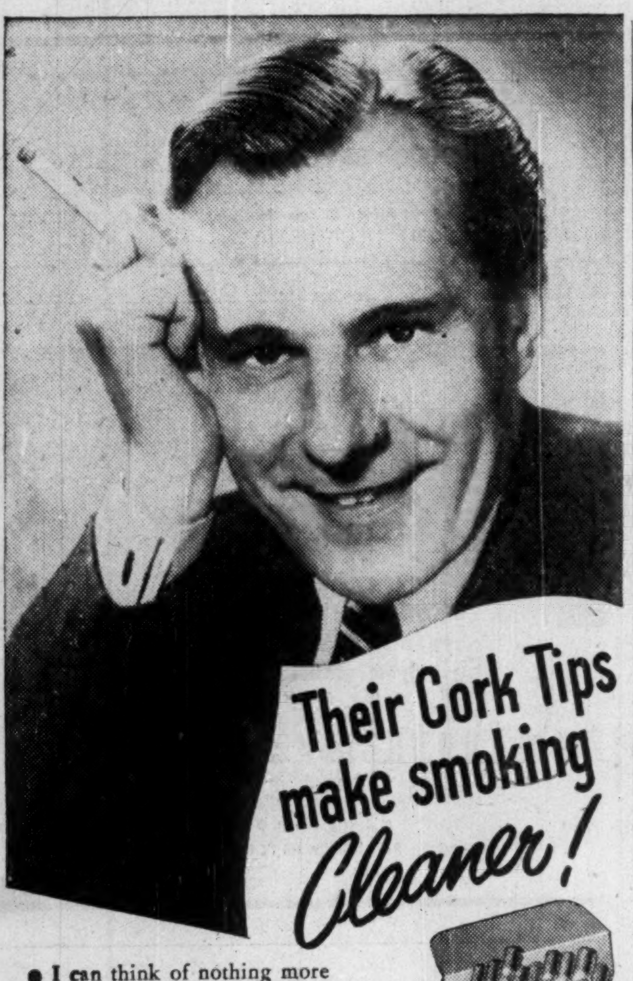

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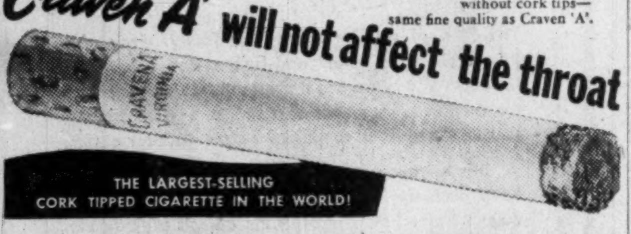

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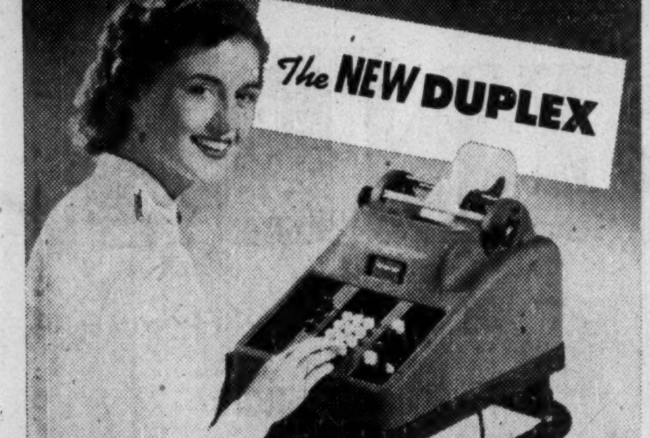

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Provincial Roundup

British Columbia

May Cut Free X-Rays: Now free under British Columbia's Hospital Insurance Scheme, X-ray benefits may be cut as a result of efforts to get the plan into financial balance. Under present setup, doctors send patients to the hospital for X-ray checkups instead of to private radiologists and this, it is believed, is responsible for an extra load on the insurance service that is not justified. Idea now put forward is that if a patient has to pay half the cost of X-rays there would be no particular incentive for him to go to hospital to get them.

To Call Fireboat Bids: Dreamed of for decades, Vancouver is to get a new fireboat. Tenders will be open to shipbuilders of any country. Tentative cost is figured at $285,000, may go to $350,000 before the vessel is ready. Pumping capacity from five 600-hp. pumping motors will be between 10,000 and 15,000 gallons of water a minute, thus putting the boat in the "pocket battleship" class of marine fire-fighting equipment. Civic fireboat committee has chosen gasoline propulsion engines in favor of diesels, pointing out the latter would increase the cost of the boat $100,000.

* * *

Alberta

Pipeline Preparations: By the time thousands of men and machines roar into action on the $90 millions Edmonton - Superior pipeline, some 240 days will have gone into preparations alone—actual work will take 150 summer days, timed to the minute. Late April will see a 400-man crew start work in three "spreads" laying pipe at the rate of a mile a day the first month—two miles a day thereafter. Aerial photography, negotiations with farmers for right of way and shipment of 175,000 tons of 20-inch steel pipe to depots along the route are only a few of the organization phases. Unloading pipe itself is a major job with all lengths being unloaded from cars by crane instead of being rolled off.

* * *

Saskatchewan

Order Dangerous Poison: More dangerous to humans and stock than any poison used previously, Saskatchewan Government has arranged for the purchase of 150,000 lbs. of "Aldrin" to be used by farmers in the 1950 grasshopper control campaign. Available to farmers at 35 cents an acre, sufficient materials have been ordered to spray 1,250,000 acres. This would mean a saving of $500,000 compared to the cost of sprays used last year. Present plans call for the preparation of the poison in an emulsifiable concentrate form. This can be mixed with water for use in spraying weeds, will be shipped in 4-gallon cans sufficient to treat 80 acres.

* * *

Manitoba

Fire Losses Down: Preliminary estimates show fire loss in Manitoba for 1949 have dropped 15-20% below the 1948 figure, or some $400,000. Last report of the fire prevention branch for the calendar year 1948, tabled in the Legislature recently records 2,047 fires which caused a total loss of $2,693,868 of which $2,263,896 was covered by insurance. Per capita loss was $3.56, exceeded only in 1946 at $3.77. Of the fires, 1,188 were residential properties.

POW's To Seek Compensation: U. S. announcement that money realized from German and Jap holdings in U. S. would be used to pay former military prisoners of war $1 for every day spent in prison camps has prompted Manitoba prisoner veterans to seek similar compensation. An estimated 1,500 Manitobans were former captives, among them some 700 members of the Winnipeg Grenadiers taken at Hong Kong and if these were awarded on the basis of the U. S. ruling, payments to each man would average between $700 and $800 for a total of $1,125,000.

* * *

Ontario

$150 Millions Road Plan: Welcome news to Ontario motorists is announcement by Highway Minister Doucett of a 5-year $150 millions development program of Ontario's highways. Program, which must first seek Legislature approval is over and above normal annual expenditures of some $75 millions. Envisaged is a 4-lane highway from Windsor to Quebec border, starting with a dual $10,600,000 highway between Toronto and Windsor and then progressing eastwardly. General policy will be to build around centres of population to avoid congestion. Entering picture is the Trans-Canada Highway, for which Ontario has yet to set a specific route. Said Doucett, "If the Trans-Canada is not built we will go ahead and develop Northern Ontario regardless."

Want Property Deed for Cars: Sweet little racket costing Ontario car buyers an estimated $1 million a year has aroused the Garage Operators' Association, representing some 3,000 garage owners in the province. Racket involves deals whereby a purchaser has no way of knowing whether the car he has bought has a lien on it or not; finds out later he is indebted to finance companies and others for unpaid loans. Association wants the government to establish by law a title of property deed for automobiles. Finance companies would then hold the title until it was paid, thus requiring a seller to inform a buyer of the lien. With Toronto courts averaging six to seven cases a day, Toronto police favor such a law, say it would also help check on stolen cars.

* * *

Quebec

Liberals Set for Convention: Expected to attract 1,000 delegates, official notices of the Provincial Liberal party convention in Quebec City, May 19-20 have been sent out. Convention, at which a new provincial party leader will be named, was made necessary by the resignation of Hon. Adelard Godbout, appointed to the Senate last year. Selection of candidates must be made not later than April 23 and only those receiving a majority vote in their district will be eligible to attend the convention in an official capacity. Urban constituencies must select five official delegates with five alternates while rural municipalities will be entitled to seven delegates, three alternates.

* * *

New Brunswick

Viaduct Start Draws Closer: With May 1 eviction notices given tenants of properties due for razing, calling of tenders for construction of Saint John's Mill Street viaduct is anticipated soon. Urged half a century, project will cost $750,000 with Saint John putting up $350,000. Remaining portion will be borne by a grade crossing fund ($100,000), Province of New Brunswick ($100,000), and Canadian National Railways ($175,000). Through a joint plan of carrying capital costs, Canadian Pacific Railway will bear a portion of the CNR contribution. Project is expected to relieve unemployment in the city to a considerable extent; will end a serious traffic bottleneck.

Credit Union Assets Soar: Membership in N.B.'s credit unions reached a total of 42,543 in 1949 when the loan turnover was $2,807,051. Assets increased during the year by some 5% to $4,654,397. Since credit unions were organized in 1937, under the provincial Department of Agriculture, total loans recorded have amounted to $16,948,003 and latest yearly report on activities show 64 co-operative associations operating in the province carrying on a total volume of business in 1948 at $8,052,867, an increase of 16.8% over 1947. Of the 1948 total, 11 farmers' co-operatives accounted for $2,872,851 and 10 fishermen's co-operatives for $1,009,675.

* * *

Nova Scotia

Cape Breton to Get Its Bridge: Long sought by Cape Breton Island, work is expected to start this year on the Canso Strait bridge. To cost some $13 millions, shared by the Federal and Nova Scotia Governments, bridge will replace the money-losing ferry now carrying rail and highway traffic across the strait. New bridge (to be completed in 1953 if work starts now) will be over 3,000 feet long, built 14 feet above the water with a lift span near the Cape Breton shore to permit passage of ships through the Strait and will link Cape Porcupine and Balache Point. Retained consulting engineer is Dr. L. P. Prately, Montreal, who helped build and design the Quebec bridge, Montreal Harbor bridge, Detroit-Windsor bridge and Vancouver's Lions Gate.

* * *

Prince Edward Is.

Island Fair to Expand: The Prince Edward Island Provincial Exhibition Association has started on a five-year plan of expansion, starting with a $30,000 expenditure this year on new buildings, with financial assistance from the federal Department of Agriculture and the Provincial Government. Old Home Week this year is to be held the week of Aug. 14, and will mark the Diamond Jubilee of the exhibition.

* * *

Newfoundland

Won't Break Sealing Tradition: With half the 1949 seal oil unsold and despite a poor market outlook, Bowring Brothers Ltd. will carry on the century old tradition of the firm and send two ships to the sealfishery again this spring. Said Eric Bowring, company chairman, "With so many dependent on the seal fishery it would be poor policy for the firm to suspend operations for what may be purely a temporary crisis in the industry." To aid operations the provincial government has allocated $8,000, supplemented by $2,000 from Bowring to conduct an aerial seal spotting survey. Results will be available to all sealing ships providing they contribute proportionally to the costs.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

QUEBEC POWER CO. net profit of $675,106 for 1949 was 6.69% above the 1948 net of $632,763. Gross revenue increased by $603,821 to $6,378,075.

Annual meeting will be March 8, 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Gross revenue	$6,378,075	$5,774,254
Net earnings	2,371,622	2,130,171
Less: Deprec.	750,000	625,000
Bond int.	512,522	517,905
Res. inc. tax	433,994	354,503
Net profit	675,106	632,763
Less: Com. divd.	553,198	553,198
Surplus for year	121,908	79,565
Times Bond Interest Earned:		
Before deprec.	4.63	4.11
After deprec.	3.16	2.91
Earnings per Share and Dividend Record:		
Common: Earned	$1.22	$1.14
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash, gov't bds., etc.	$1,876,587	$1,221,166
Accts. rec.	735,484	696,911
Total curr. assets	2,612,071	1,918,077
Misc. assets	1,170,230	1,177,400
Subs. inv. & adv.	6,182,671	6,182,671
Other invests.	26,500	26,500
Dep. re cap. exp.	800,000	2,000,000
Fixed assets	27,409,642	26,187,649
Total assets	38,201,114	37,492,297
Total curr. liab.	1,221,994	1,011,046
Consumers' dep.	70,747	127,269
Funded debt	16,608,000	16,784,000
Deprec. res.	8,125,644	7,454,924
Other res.	294,994	293,802
Capital stock	11,349,500	11,349,500
Surplus	530,235	471,756
Working capital	1,390,077	907,031

PELLER BREWING CO. LTD. net proifit was $65 for the year ended Oct. 31, 1949, against previous year's $37,270. Major problem was to maintain or increase sales against keener competition. An important step in this direction was the introduction of two new brands, Peller's private Stock Ale and Peller's Gold Crown Lager Beer, which were directly responsible for an increase in bottle sales although other sales, especially those outside Ontario, were curtailed, President A. Peller stated.

Foremost economies effected during the year were installation of a modern pasteurizing unit and a Paraflow Cooler. More economies will be instituted during 1950.

At the annual meeting shareholders approved a bylaw authorizing the company to issue $325,000 in bonds or other securities. The company plans to buy its own delivery equipment, which has been rented, to install additional equipment to go into the wholesale ice business and to put up a new retail store. Proceeds will be for this and for additional working capital.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Net earnings	$95,446	$162,834
Less: Deprec.	94,831	104,468
Income tax	550	21,096
Net profit	65	37,270
Less: Pref. divd.	39,531	15,813
Surplus for year	•39,466	21,457
•Loss or deficit.		
Earnings per Share and Dividend Record:		
Preferred	$0.003	$1.62
Paid	1.37½ + ♦0.34⅜	0.68¾
Common	d0.13	0.02
None paid.		
♦On arrears.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$600	$600
Accts. rec.	64,084	37,834
Inventories	218,706	247,784
Total curr. assets	283,390	286,218
Misc. assets	70,068	59,173
Fixed assets*	792,863	845,961
Total assets	1,146,321	1,191,352
Bank loan	122,450	145,067
Accts., tax, etc., pay.	82,743	64,788
Total curr. liabs.	205,193	209,855
Capital stock	811,689	811,689
Earned surplus	129,439	169,808
*After depr. of	290,518	195,770
Working capital	78,197	76,363

LAMBTON LOAN & INVESTMENT CO. net profit for 1949 was $78,728, slightly higher than the 1948 net of $78,192.

Liabilities to the public amounted to $4,305,772 ($4,072,123 in 1948) and were secured chiefly by liquid assets of $3,000,478 ($2,843,599) and mortgages and sales agreements of $2,997,772 ($2,905,005).

Each asset in the balance sheet has been carefully revalued and reserves are believed sufficient to provide for all contingencies, C. H. Belton, president, stated.

	1949	1948
Liabs. to public, etc.*	$4,305,772	$4,072,123
Shareholders' equity	1,714,012	1,698,463
*Secured by:		
Mtge. & sls. agree.	2,997,772	2,905,005
Realty for sale	3,282	3,004
Office premises	18,252	18,978
Liquid assets♦	3,000,478	2,843,599
Total assets	6,019,784	5,770,586
♦Includes bonds and stocks.		
Lambton Trust Co. stk.	330,000	330,000
Net profit	78,728	78,192
Earned per Share	$4.98	$4.95
Paid	3.00+1.00	3.00+1.00

JACULET MINES has received payment for March 1 installment of 50,000 shares at 15c a share under agreement with Clair Agency Ltd. Issued capital is 1,566,667 shares, leaving 2,433,333 in the treasury.

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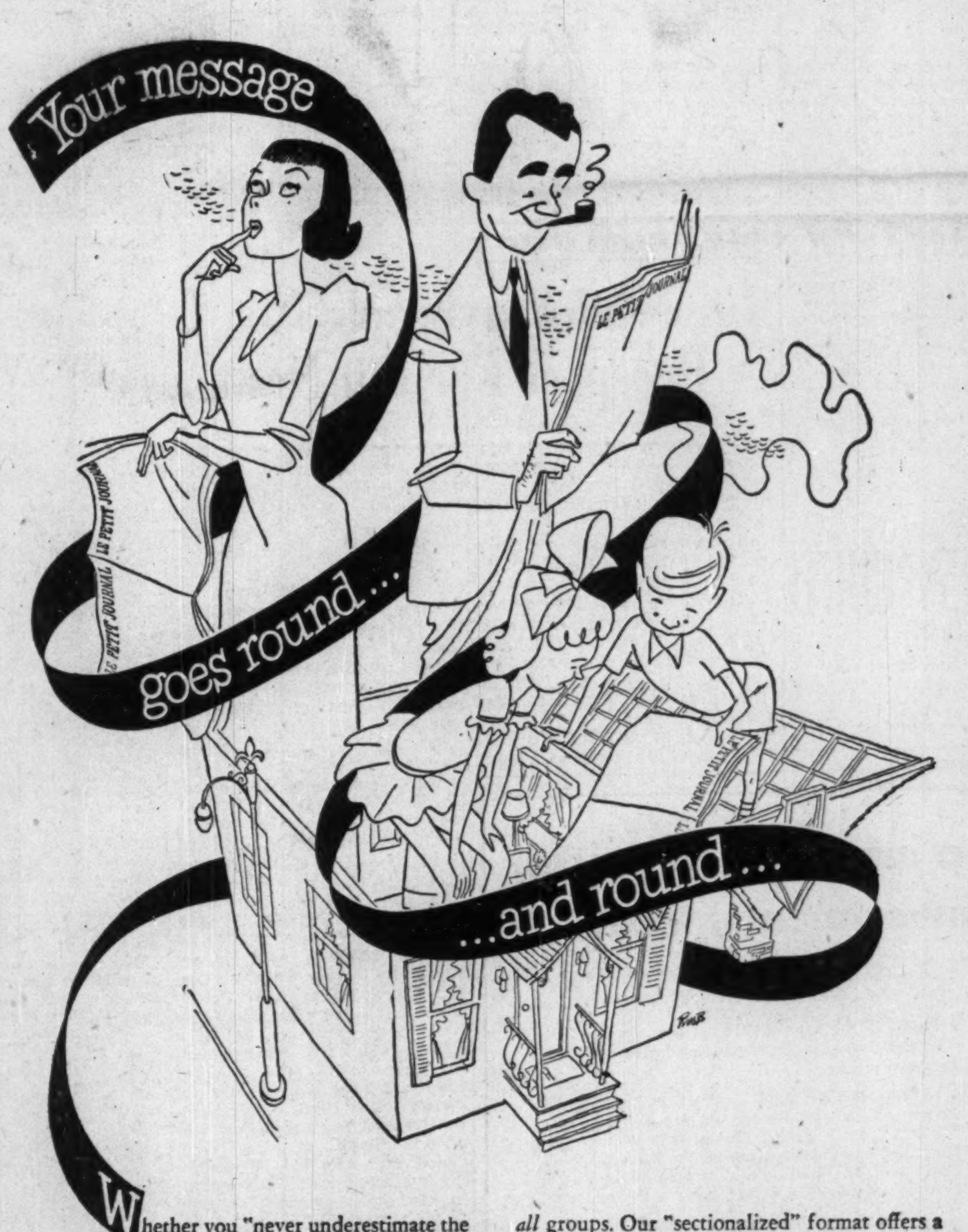

Whether you "never underestimate the power of women", in planning sales angles, or aim only at "decision-making" males, you can't be wrong in **LE PETIT JOURNAL.** If you have products to sell to French-speaking families in Quebec's 27 key cities — whether to "home-makers", "wage-earners", teen-agers, or tots — **LPJ** will deliver your sales message into the *buying* hands. Our unique weekly covers entire households, is read *all* round the family circle.

After 23 years, we are old hands at reaching *all* groups. Our "sectionalized" format offers a miniature French-language newspaper for each member of the family. And 200,000 families buy **LPJ** every Saturday from city news-stands, to take into their comfortable homes — to be read and re-read, passed from hand to hand and discussed, over an entire weekend. The multiple, leisurely and even repeated, reading gives your insertion unusual impact — and *ensures* your reaching the true purse-holder, however your ad may be slanted, when it comes out here.

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